Newsprint Recovery Under Way (Pages 11 to 17)

LARGEST CIRCULATION
OF ANY CANADIAN
FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS
DEPARTMENT ON
PAGE 20

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The Nation's Business

Our Spendthrift Radio Commission

Exceeds Budget

Goes Into Field of Private Enterprise

Weird Stories Hurt Government Loan Publicity

Radio Commission Spends Riotously

THE spendthrift radio commission heaps Ossa upon Pelion as it almost daily piles new burdens upon the shoulders of wearying taxpayers. At a time when hundreds of thousands of Canadian citizens are without jobs; when scores of thousands of families are on relief, this dictatorial body is spending money like water, doing its best to ruin radio and the taxpayer at one and the same time.

On three counts the radio commission is to be condemned as a dangerous public body. It is extravagant and wasteful at a time when careful expenditure of public money is essential. It is dictatorial, autocratic and at the same time inefficient. And it has almost completely failed in the attainment of its original objectives.

* * *

COMMISSION extravagance is written in an open book in which any taxpayer can read the sorry record of how he is to be made to pay up. The commission is exceeding its budget. Not content with permitting its expenditures to run beyond the income allotted to it it is planning huge capital expenditures in addition. This week is announced a plan to build a new station in Montreal, already served by three efficient stations. The motive for the building of the station is obviously sheer pique; a powerful critic in La Presse must be chastened.

Commission blundering is equally an open book. It would take a column to list the mistakes the commission has made. It has satisfied few people with its programmes and has injured national and sectional feelings from coast to coast. It has issued dictatorial ukases with the irresponsible ease of an autocrat; it has set out to ruin those who have got in its path.

And the failure to accomplish the objectives of radio nationalization is likewise to be read in the record. There were three main purposes in setting up the radio commission as a branch of government. They were stated to rid the air of excessive advertising; to Canadianize programmes and stem the Americanization of the air in Canada; to give to the more sparsely settled areas of Canada programmes equal in quality to those available to listeners in the thickly settled East.

* * *

THE commission has not rid the air of advertising; in fact it has simply shifted the emphasis from advertising of Canada to the advertising of the United States. And now it is planning to go into commercial broadcasting on a wide scale, to provide a coast-to-coast medium for radio advertising. The commission was given no public mandate to carry out any such scheme.

The commission has not Canadianized the air. A majority of its programmes are said to originate in American studios. Last Sunday afternoon a listener tuned in his local Commission station. Did he get a concert suitable for a quiet Sunday afternoon? No; he was given a programme of dance music advertising a huge casino at the World's Fair in Chicago.

The one place where the Commission has progressed at all in reaching any of its original objectives is in carrying programmes across the country.

* * *

THE responsibility for nationalization of radio in Canada rests upon the shoulders of the prime minister. It is to Mr. Bennett that the country looks to control the radio commission, to bring it back to its original simple functions and to keep its expenditures within the proper bounds of a depression budget; or alternatively to fire the commission, scrap the present legislation and turn back to private enterprise, which was making a fair job of radio in Canada, and has made a splendid job of it in the United States.

If the government does not quickly show that it controls the radio commission the commission will not be long in showing that it controls the government.

* * *

Unfavorable Loan Publicity

SOME very unfortunate publicity has appeared in Canadian newspapers regarding the forthcoming

(Continued on page 2, col. 3)

STATES BANKS ACT ILLEGALLY IN BOND DEALS

Brief of B. C. Bond Men Gives Legal Views of Banks' Powers

COMPETITION UNFAIR

Brief Delivered to Banking Commission After Conclusion of Public Hearings

Active selling of bonds by Canadian chartered banks does not come within the scope of their authority under the Bank Act, contends G. Lyall Fraser, of the Western City Co., Vancouver, in a brief submitted to the Royal Commission on banking for the British Columbia Bond Dealers' Association. Legal opinions of the highest courts is cited in support of this. It is also contended that banks compete unethically and unfairly in the bond business.

The prime object of the brief is to have the banks' activities in the underwriting and distributing of securities "at least greatly curtailed." The paper was presented to the commission too late for a public hearing because the transcontinental movements of the commissioners were apparently too swift to allow Mr. Fraser to catch up with it. One underlying theme in the document is that unrestricted security dealings by banks may have undesirable moral effects. It is also suggested that the Bank Act should be revised every five years instead of decennially as at present.

One leading bank executive recently informed The Financial Post that some banks are fully prepared to give up certain phases of their security dealings.

Cases Cited

In support of his contention that banks violate the terms of the Bank Act in their security dealings, Mr. Fraser cites a decision of the Supreme Court of Canada. The case was Royal Bank vs. Mack. The bank appealed a decision that it was liable for misappropriation of funds placed with a branch manager for investment. In allowing the appeal in favor of the bank, Chief Justice Duff stated:

"There is no evidence before us justifying, or, indeed, pointing to the conclusion that the business of an investment agent or trustee is one which 'appertains to the business of banking' nor, in my opinion, does the transaction with which we are concerned fall under any class of transactions that is comprehended within the dealings authorized by s.75 (c) (of the Bank Act)."

The brief then submits that banks are in the business of underwriting and selling bonds, but that this decision allows them to shirk the responsibility incumbent on ordinary dealers.

Mr. Justice McPhillips, of the B. C. Court of Appeal is quoted as stating of the Royal Bank vs. Mack case:

"Managers of banks in Canada do not occupy the same position as managers of banks in England where it may be said that banks transact a great deal of business for their customers that is wholly outside of . . . the powers of banks in Canada . . . and not permissible to managers of banks operating under the Bank Act."

Powers of Banks

Then it is pointed out that the Bank Act says banks may engage in and carry on such business generally "as appertains to the business of banking." But it also says:

"Except as authorized by this act, the bank shall not either directly or indirectly (a) deal in buying or selling, or bartering of goods, wares or merchandise, or engage or be engaged in any trade or business whatsoever, etc."

To further support the conten-

(Continued on page 2, col. 5)

Increased Load of Electricity Features Week

Increase in output of central electric stations is the feature of the business indicators released during the week, output in August being the highest recorded since December, 1930. The comparatively high level maintained by automobile factories and iron and steel plants also indicates that the revival of the manufacturing industries is being maintained.

Lack of export demand is still causing periodic losses in the price of wheat followed by short periods of strength, but prices of other commodities are generally higher. In the United States, commodity price indices reached new high levels of the present recovery during the past week. Wholesale quotations on many lines have advanced.

Monthly	Aug. 1933	Change From Prev. Period %	Change From Prev. Year %
Pete. impts. gal.	116,312,309	— 1.7	+29.0
For. trade:			
Exports, $ ...	44,723,252	—12.8	+ 8.3
Imports, $ ...	38,747,080	+ 8.5	+ 6.1
Sugar manuf.*, lbs.	60,377,719	—31.5	—24.3
Elec. otpt., kw.h.	1,508,213,000	+ 4.5	+22.0
Elec. otpt., kw.h.	1,508,213,000	+ 4.5	+22.0
Iron prod., tons	35,233	+11.1	+487.2
Steel prod., tons	48,659	— 0.9	+81.5
Auto. output, No.	6,079	— 7.0	+49.5
Weekly†			
Carloadings, No.	47,634	+16.2	—14.0
Cattle sales, No.	14,814	+11.1	— 0.2
Hog sales, No.	13,850	—20.1	— 9.3
Wheat exp., bu.	3,195,239	+ 6.5	—24.3

* Four weeks ended Sept. 9.
† Weeks ended Sept. 16, 21, 21 and 15 respectively.

Financial Advertisers

At the annual meeting of the Financial Advertisers' Association in New York two Canadians were signally honored. C. E. Bourne, advertising manager of the Royal Bank of Canada, Montreal (above), was elected a member of the senior advisory council and G. L. Spry, advertising manager of the Huron and Erie Mortgage Corporation, London (below), was re-elected director and also associate treasurer in charge of Canadian funds.

HONEY DEW HAS RENTS REDUCED SALES DECLINE

Completes Legal Action to Recover Cost of U. S. Rights

Volume of business handled by Honey Dew Ltd. in the current year has been somewhat under the corresponding period of 1932 but the development of agencies during the year gives promise of wider sale for the beverage. In addition to the 44 stores operated by the company there are now 18 agencies in principal Ontario cities of which 16 have opened this year.

Business, so far in 1933, has been "spotty" but cash position of the company has been improved. Leases on five of the stores operated by Honey Dew Western Ltd. have been revised with an annual saving of $14,000 to the company on rentals. A similar saving has been effected on rentals of stores operated by the parent company.

Sues For Recovery

Action taken by Honey Dew Ltd. to recover through the courts the money paid for United States rights has been concluded but Mr. Justice Rose may not render a decision until December. With nothing to lose and everything to gain the company took action against F. J. Ryan, Don. E. Ryan and Jerry McCarthy from whom the rights were acquired in 1928 for $600,000. Both F. J. Ryan and Don E. Ryan are directors of Honey Dew Ltd. Arbitration, suggested by the court on several occasions was refused, and after two weeks of hearings the decision rests with the court. The above defendants also took counter action against the company to secure the remaining payment due under the contract amounting with interest to some $160,000.

Rights to sell Honey Dew in the United States, which appeared highly valuable in 1928, have proved unprofitable to Honey Dew Ltd. which has received no return from United States subsidiaries. The company paid $50,000 down and contracted to pay $100,000 upon completion of financing in 1928; $50,000 on March 15, 1929; $200,000 on December 31, 1930, and $200,000 payable monthly from January 5, 1932, to August 1, 1933. Interest of 5 per cent was to be paid on the unpaid balance. At December 31, 1932, there remained to be paid $175,227 and at that time shareholders were informed that legal action had been taken, the company alleging that there had been misrepresentation and breach of warranty in connection with the purchase of United States rights.

Lost on U. S. Stores

At the end of 1929, Honey Dew Inc., a wholly-owned subsidiary, was operating seven shops in New York State and Pennsylvania. Early in 1930, a Chicago syndicate acquired the right to manufacture and distribute Honey Dew throughout the United States and Honey Dew, Inc., of Illinois was formed and in this the Canadian company held a 51 per cent stock interest. This company went into liquidation in 1931 and one profitable store was purchased by Honey Dew Inc., later to be disposed of under an operating agreement. In September, 1932, the stores operated by Honey Dew Inc. all showed a profit for the first time. Loss on United States stores from March, 1929, to December 31, 1932, is stated to have been $140,000 but the United States stores have been on a self-sustaining basis since June, 1932. At present five stores are operated in the United States.

3½ AND 4 P. C. RATES MOOTED ON GOV'T LOAN

Conversion Bonds to be Offered at Discount — Banks Get 3½'s

YIELDS TO BE LOW

Amount Less Than $220,000,000, Ottawa Says — May Not Include 1934 Issue

An effort to make Canadian investors "four-per-cent-minded" will be made when the Dominion's conversion loan is announced, according to bond dealers' anticipations. It is now thought that short term bonds bearing 3½ per cent and longer term issues carrying four per cent will be offered. Discounts expected to be offered on the issues will bring the interest return to 4.20 to 4.35 per cent, as compared with a 5½ per cent coupon rate now being received by holders of the tax-free 1933 Victory bonds.

Rumor has it that banks, who are understood to hold most of the 1933 bonds, will be offered two-year 3½'s yielding from 3¾ to 4 per cent. Other holders of the 5½'s of 1933 may be offered 10-year 4 per cent bonds, and the government is expected to seek new money with an issue of 17-year 4 per cent bonds. Yields may be from 4.20 to 4.35 per cent on these issues. This is one plan which is believed to have been considered by the Government, but the loan may not be announced on precisely this basis because of the recent recession in the high-grade market.

Announcement Due Soon

Announcement of the loan has been expected for Oct. 2. However, dealers now anticipate that it will be held over until nearer Thanksgiving Day, which would indicate announcement between Oct. 6 and 10.

The conversion will involve $169,971,850 of bonds maturing Nov. 1. Some $40,000,000 of bank advances will also be funded. In addition some money will be sought for current purposes and contingencies. The Dominion also has a loan of $226,138,350 of 5½'s maturing Nov. 1, 1934, but an apparently unfounded report that this would be included in the loan has been denied at Ottawa.

It is estimated that banks will have about $100,000,000 of the 1933 bonds for conversion. The remaining $70,000,000 are in the hands of other corporate and individual investors. Arrangements are believed to have been made for handling the banks' bonds already. Dealers indicate that there should be little difficulty in arranging conversion of the remaining $70,000,000.

As to the new money which is to be sought, prospects are considered much better since the London market furnished £15,000,000 to the Government early in August. The amount now required is much less than had been expected early this year, and interest rates have declined. If a reasonably favorable rate is offered on the bonds which will be retailed, the whole loan is expected to be absorbed in good time.

Smaller Than Reported

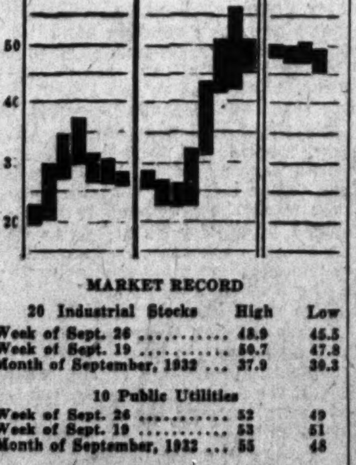
From Our Own Correspondent

OTTAWA.—Unofficial announcements current in the daily press to the effect that the pending conversion loan will amount to $500,000,000 are definitely denied by high officials of the Finance Department.

As stated previously in The Financial Post, the new loan will be of much smaller dimensions, probably not greatly exceeding $220,000,000. In addition to the refinancing of maturing obligations, chiefly $169,971,850, the Government will seek only a small amount of new money. There is also $40,000,000 to be raised to cover bank advances.

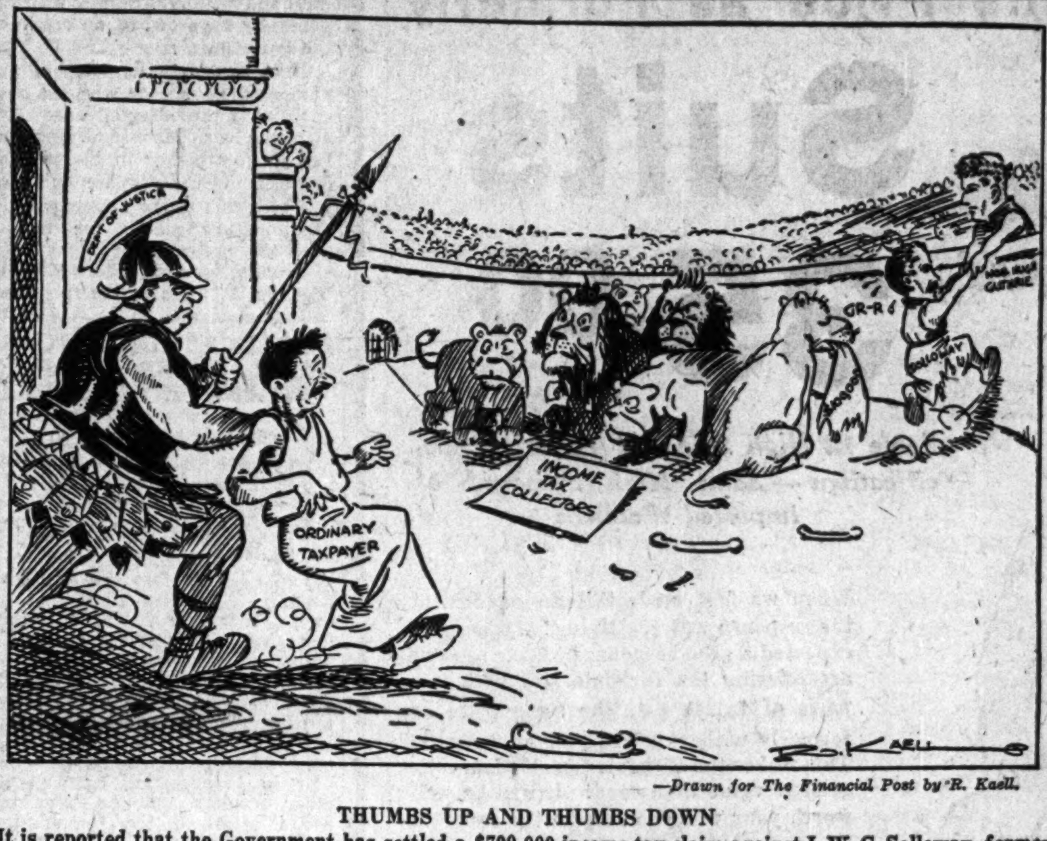
Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Sept. 26	48.9	45.5
Week of Sept. 19	50.7	47.8
Month of September, 1932	37.9	30.3
10 Public Utilities		
Week of Sept. 26	52	49
Week of Sept. 19	53	51
Month of September, 1932	55	48
8 Bank Stocks		
Week of Sept. 26	182	180
Week of Sept. 19	183	180
Month of September, 1932	182	177



—Drawn for The Financial Post by R. Kaell.

THUMBS UP AND THUMBS DOWN

It is reported that the Government has settled a $700,000 income tax claim against I. W. C. Solloway, former mining broker, for $100,000.

Broadcast Dictators Plan New Extravagance Invade Private Field

Autocratic Radio Board Exceeds Powers Given It

PUNISH LA PRESSE

Fourth and Unnecessary Station Planned For Crowded Montreal Field—Budget Exceeded

From Our Own Correspondent

OTTAWA.—Decision to erect a costly and unnecessary broadcasting station in the Montreal district.

Direct intervention, for profit, by the publicly owned utility in the business of commercial broadcasting.

These announcements issued by members of the National Radio Commission at Ottawa this week have caused unbounded surprise and have unloosed a veritable storm of protest.

The decision to waste the taxpayers' money on a new broadcasting unit at Montreal (already served by three stations) is regarded here as a major blunder but not of a kind which will have a great effect upon the future of the Commission. In all likelihood, the Government will severely discipline Hector Charlesworth, the radio chairman, and his associates, and will put a stop to construction. The commission must come to the Treasury Board for funds, so the Government, really, holds the whip hand in this regard.

See Commission Collapse

But the announcement regarding commercial broadcasting is of vital importance for the reason that it presages clearly the impending collapse of the National Broadcasting policy as enacted by Parliament in 1932 and 1933. The basis or foundation of that policy is now revealed, by the action of the commission, to be unsound.

Whether or not this would have been the case under a more competent commission is a matter of controversy but, in any event, those who presently are directing the Commission have found the "nationalization" policy defective and are seeking to escape the consequences through financial assistance from private enterprise.

On Extravagant Scale

First intimation of a radical change in broadcasting policy came on September 21 when the Ottawa Journal published the text of a telegram sent on Sept. 16 by Lt.-Col. W. A. Steel, a member of the Commission, to the various broadcasting stations of Canada. It read:

"Commission considering entering commercial field in effort increase number of first-class programmes now available listeners across Canada. Stop. This involves making combination rates attractive to listeners. Stop. Propose offering this service form of number of chains covering various parts of Canada. Stop. Wire collect lowest net prices you can offer Commission for half hour and hour periods during day and also during night hours. Stop. This information must be in our hands by Tuesday noon without fail. Stop. Please co-operate by forwarding information promptly as season is now well advanced. Stop. (Sgd.) Steel, Radio Commission."

Reading between the lines it is not difficult to discover what the Commission has in mind.

As created by parliament, the Commission was to be financed out of the revenue derived from radio license fees. But it would now appear that these revenues, or such part of them as the Treasury Board has made available to the Commission, are not sufficient to carry the load. The Commission undoubtedly is operating on a scale which is so

(Continued on page 2, col. 4)

See Moratorium Dawes and Young Loans to Germany

A moratorium on the German Dawes (7's of 1949) and Young (5½'s of 1965) loan bonds is feared in London, it is reported. The interest on these bonds is being paid at present despite the moratorium on other German external debts.

A concealed depreciation of the reischmark is said to be in progress. This is not reflected in foreign exchange quotations because the official control keeps the value of the currency on a sort of bogus gold standard. Germans cannot buy foreign exchange freely at the quoted figure.

After their recovery early this year, the Dawes and Young loan bonds have again moved downward, nearing their lowest levels for 1933.

YORK TOWNSHIP TO PAY INTEREST LACKS PRINCIPAL

Attempting to Arrange Refunding of Maturing Debentures

Township of York, Ont., will be unable to meet a payment of some $256,000 principal amount of debentures maturing Oct. 1, it is understood. The present intention is to meet the interest due. Other principal installments fall due on Nov. 1 and Dec. 1 next, and some arrangement is now being sought whereby these can be refunded by arrangement between the township and bondholders. The township borders Toronto, has a population of 68,000 and funded debt of some $18,000,000.

Municipalities in Ontario cannot arrange to exchange new debentures for maturing securities under a conversion plan. Such compromises can only be arranged through the Ontario Municipal Board by gaining consent or by appointment of a supervisory board, and it is understood that the township wishes to avoid the latter. The Municipal Board is expected to deal with the question this week.

Falling tax collections, heavy relief expenditures, and substantial maturities of debenture principal are cited as reasons for the township's difficulties. Tax collections during the years 1928 to 1932 were 70, 70.6, 66.4, 64.7 and 59.0 per cent of the respective years' total levies. At the end of 1932, total arrears amounted to $2,023,964, of which $1,199,731 was for 1932 taxes and $824,233 for prior years. The township's bank loan rose from a few thousand dollars in 1928 to about $1,250,000, as at Dec. 13, 1932.

Collections of arrears of taxes have shown improvement this year, but current collections are down as the following table shows:

York Township Tax Collections to September 23

	Current $ 000's	Arrears $ 000's	Levy $ 000's	Ratio Collect. to Levy %
1933	1,258	708	2,980	66.0
1932	1,435	648	2,923	71.3
1931	1,266	602	2,973	62.8

A committee comprised of Reeve Alfred Gray, Comptroller C. M. Wrenshall, Howard A. Hall, K.C., township solicitor, and Lancelot A. Dack, of the Canadian Bank of Commerce has been appointed to confer with the bondholders to seek a basis for the refunding of the October maturities.

Hopes of refunding have been strengthened by the tacit approval of a number of the largest bondholders, it is understood.

Interest on the majority of the bonds ranges from 5½ to 6 per cent, and it is hoped that a reduction to 5 per cent will be effected.

Highlights of the week

Events and Topics That Make News for Post Readers

Radio Spendthrifts

While thousands are on relief Canada's radio broadcasting commission plans new worlds to conquer at taxpayers' expense. A new raid on your pocket book exposed. Page 1. See also "The Nation's Business column. Page 1.

Protecting Investors

Revision and unification of Canadian company laws to protect investors from stock-jobbing and inadequate company reports suggested in fourteen point programme. Page 9.

Bank Evidence

Another generous instalment of The Financial Post's own summary of the official evidence given before the Macmillan commission. Page 19.

Newsprint Come Back

Striking analysis of Canada's pulp and paper industry shows it was first to dip into depression and may be first to come back. With interesting half-page chart and review of each paper company. Page 11 to 17.

Nazi Economics

Dr. Melchior Palyi, eminent European economist, writes on Hitler's economic programme for Germany. Page 6.

Cariboo Gold Quartz

The most comprehensive survey yet written of a B.C. gold prospect that is attracting nation-wide attention. Page 20.

Trend of Business

The Financial Post's monthly survey of business conditions in the five economic areas of Canada. Page 7.

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CAN. CELANESE DIVIDEND PLAN IS CRITICIZED

Offer Equals 51 Cents on Dollar of Preferred Arrears

COMPANY PROSPERS

Shareholders Wait Four Years for Dividends; Terms Regarded as Being Inadequate

From Our Own Correspondent

MONTREAL.—Strong criticism is directed against the plan put forward by the directors of Canadian Celanese Ltd. to wipe out the accumulated arrears of dividends on the preferred stock.

In satisfaction of dividend arrears totalling $2,497,500, the preferred shareholders are offered $145,800 in cash and 45,000 of no par value common shares.

30 Cents on Dollar

On a current market valuation of $25 a share for the common, the company's offer is equivalent to approximately 51 per cent of its liability to the preferred shareholders.

Reduced to terms of a single unit, the company offers $1.62 in cash and one-half share of common stock in lieu of the $27.75 of arrears of dividends on each share of preferred.

Pave Way For Dividend

The suggestion is put forward unofficially that with the claim for arrears wiped out, the preferred shareholders, if accepting this offer, would then be in a position of sharing in any dividends which might be declared on the common stock, which last year showed earnings of 35 cents a share without considering preferred dividend arrears.

Income tax of 5 per cent on the proposed distribution is to be absorbed by the company without deduction from the amount of cash payment or shares allotted to the preferred shareholders.

The trend of earnings on the 7 per cent preferred shares has been as follows: 1928, $2; 1929, $4.06; 1930, $9.02; 1931, $8.95; and 1932, $7.98.

Paying Regular Dividends

Nearly four years after the preferred stock was sold to the public, the company began regular dividends with the declaration of 3½ per cent payable December 31, 1930. Semi-annual payments were continued until quarterly payments were instituted commencing September 30, 1931. Regular quarterly payments have been made since.

At the end of 1932 the directors took the initial step toward paying off the arrears of dividends on the preferred stock, amounting to $29.75 a share. A dividend of $1 a share was paid on December 31, 1932, reducing the arrears to $28.75. On June 30 last another $1 dividend was paid on account of arrears which now amount to $27.75.

In view of the fact that operations of the company are reported to be at capacity and that revenues are well maintained, critics of the present plan contend that the preferred shareholders are entitled to more than 30 per cent in settlement of the arrears. It is true that the present authorized capital will not permit the issuance of more common shares. On the other hand, if the company wants to capitalize the arrears, as it would do if the present plan were accepted, there is still $6,000,000 of preferred stock authorized and unissued.

Just Think of It!

WASTE-CUTTER MANION

HON. Dr. Manion, Minister of Railways, is representing Canada at the League of Nations conference, Geneva.

Some political opponents criticize it as a joy-ride and say he should be at home dealing with the serious railway situation.

Canadians who think and observe disagree entirely with this view. Judged by his records, they say this peppery, rapid-fire-talking little Irishman is the only one in the Cabinet to carry out in a big way the Prime Minister's instructions to cut waste. Mistakes have no doubt been many, but his results will count in our tax bills. Our farm and factory producers must, because of high taxation, add 35 per cent to the cost of everything they produce. Hence it means something when every cent thus cut from national railway or other wastes enables them to lower our selling prices in home and foreign markets.

To accomplish these results as an executive and to go through a heavy session as a party politician, of course, takes a lot out of a man. Geneva means an absolute change and rest, and it also means new and wider contacts and viewpoint. Geneva delegates are chiefly talkers or joyriders, but experience shows that men like Manion do learn from them enough of world conditions—a knowledge that can be used in their work in Canada—to make the cost of their trips not an expense but an investment for the country. Perhaps the greatest lesson such men learn is that so many world figures are, as Bismarck said of Salisbury, "a wooden lath, painted to look like iron."

The press and other comments on the unofficial British Commonwealths conference which has just concluded its sessions in Toronto is a good example of this. Not only world reputations but some beautiful theories were "debunked," and Canadians are saying, "Just think of it!" Even Sir Robert Borden, our former Prime Minister, expressed amazement on hearing the views so freely advocated by some leading delegates.

EATON'S

NOW with Two Pair of Trousers at the Same Price as Formerly

Birkdale Specified Suits 35.00

Same 12 High Standard Tailoring Specifications — Same High Standard of Imported Woollens

When we first made this announcement the response was gratifying! Indeed, we expected a good response because now we are offering the Birkdale suit with two pairs of trousers at the same price as formerly with only one pair of trousers. This makes the Birkdale Specified an even greater value than ever! It will be well worth your while to inspect the range in the near future. There are scores of fine suits in all the season's leading colorings. Sizes and models for everyone.

Men's Suits at $15.00 and Over May Be Purchased on Deferred Payments

TERMS (Toronto Delivery Area) 25% down and the balance, plus a carrying charge, in 3 equal monthly payments.

T. EATON C° LIMITED

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The statement that appeared recently in the columns of an Eastern daily, "Aviation in Canada at the present time appears somewhat stagnant," would appear from these figures to be misleading because at no time since the aeroplane was introduced into mining work has air transportation assumed such importance.

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The Nation's Business

(Continued from page 1)

Dominion loan. Exaggerated estimates of the amount of the possible loan have been given as well as misleading information as to the terms of the offering. In fact, some of the articles that have been published have given the impression that a forced conversion loan of all outstanding tax free bonds was in prospect.

At least two of the most misleading stories were published in the Mail and Empire, Toronto, which is generally regarded as an organ of the government.

Most Canadian newspapers are anxious to co-operate with the government in providing advance news on operations of this kind. One cannot judge whether in the present instance the unfortunate publicity has been due to the newspapers in question overlooking the simple precaution going to the Department of Finance for their information or whether it is due to the fact that the Department of Finance was over-cautious in answering their questions. Since the Department of Finance now has as its permanent head a qualified economist who is also a student of public relations, there is at least prima facie evidence that the former is the case.

In Great Britain, before any government financing is undertaken, the Treasury goes to very great lengths to lay a sound financial and psychological foundation for the operation. Here is a problem to which our able Deputy Minister of Finance, Professor W. C. Clark, might well devote his attention. It is not suggested that he should attempt to dictate to the press what they shall say or even refuse them the privilege of making foolish spectacles of themselves if they wish. But close and intimate contact with Ottawa correspondents might avert similar embarrassing news articles in the future.

BROADCAST DICTATORS PLAN EXTRAVAGANCE INVADE PRIVATE FIELD

(Continued from page 1)

extravagant that radio license fees are inadequate.

Exceeding Its Budget

This conclusion is implicit in the known facts.

Radio license fees collected last fiscal year totalled 760,000 at $2 each. Deducting cost of collection and about $200,000 for the radio branch of the Marine department (ship to shore and direction finding services) there was available approximately $1,100,000 for broadcasting purposes. But the Government decided there must be economy in broadcasting as well as other services and the Treasury Board informed the Commission some months ago that about $750,000 was all that could be spent this year.

A look at the expenditure statement issued monthly by the finance department indicates that the Commission is exceeding this total. Expenditures are running well in excess of $60,000 per month. Unless reductions are made the Commission will spend some $780,000 in maintaining the existing broadcasting services. And this leaves nothing with which to finance such capital costs as the new stations which the Commission is building, improvements to old stations, and lease arrangements on existing or specially built privately-owned stations.

Some Major Expenditures

Consider some of these special expenditures. The Commission has committed itself to the expenditure of some $35,000 on CRCO at Ottawa, stepping up the power from 500 to 1,000 watts. The new station at Montreal will cost about $100,000. Then Marconi's have built the Chicoutimi station, recently opened, but the Commission will be paying a rental which will carry the investment and operating charges.

In a word, the Commission is already over-expending its budget and unless additional funds can be found a curtailment of the existing service will be inescapable.

Desperate for Funds

The proposed policy, undoubtedly, is framed to give the Commission more money. This is to be accomplished in two ways: by passing some of the fixed charges now borne by the commission along to private business and by stepping up the earnings of the Commission stations.

One of the chief expenditures of the Commission is for leased wires across Canada. These wires are leased for several hours each night and for a shorter period in the day. The cost to the Commission is approximately $250,000 per year.

The Commission now proposes to encourage private industry to put on national programmes. In doing so, private enterprise would take over the Commission's national hook-up for so many hours each week. Even if the Commission could arrange with the telegraph companies to turn these wires over at what they cost the Commission, the saving is obvious. Moreover, these programmes would find outlet from the broadcasting stations owned by the Commission as well as from privately owned stations. In this way, the revenue of these stations would be increased.

Was to Bar Ads.

In a broad way, the Commission's policy is a complete negation of the principle enunciated by parliament when the radio broadcasting statutes were enacted. The purpose, then, was to nationalize broadcasting; to prevent it falling into the hands of private interests to be used for commercial or advertising purposes. Advertising was to play no part in the new system but radio broadcasting was to be financed by and to be controlled entirely for the benefit of, the radio public. In fact, this very issue confronted the Commission at the outset of its career. Sometime in October, 1932, a large Canadian corporation was putting on an outstanding broadcast featuring great Canadian singers like Edward Johnson, and Brownie Peebles. It was suggested that the Commission co-operate in sending the broadcast across a national network. And after much consideration the men then shaping Commission policy declined. They did so because they believed such an action would be repugnant to the spirit of the radio broadcasting legislation.

Inability to meet operating and capital charges out of radio license fees has now compelled the Commission to abandon the parliamentary attitude against commercial broadcasting and the Commission in effect is inviting private industry to contribute to its support.

Failing this change it is clear the Commission will over-expend its revenues this year and will find it most difficult, if not impossible, to improve upon the present service—both as to volume and quality.

Fourth Montreal Station

As to the decision to build a fourth broadcasting station at Montreal, there has been an immediate outburst of indignation. Montreal is presently served by three stations—La Presse, the old La Patrie station and the Marconi station. The Montreal Star, in a vicious editorial, brands the move as "an intolerable outrage," and declares that to build such a station would be, "a crime so flagrant and so stupid that we cannot believe that it will be carried through."

It is not only that such a station would cost $100,000 but the operating expenses would be exceedingly heavy.

Behind this decision there seems to be nothing more important than a difference of opinion between the Radio Commission and CKAC, the La Presse station. La Presse desired to hook-up with one of the American chains, and some controversy with Ottawa followed. Then the Commission seems to have had difficulty getting certain programmes broadcast over the La Presse station. The upshot, apparently, is a decision by the Commission to go ahead with a new station and, in this way, to teach Montreal broadcasters to have more respect for their betters.

Is Needless Duplication

It is not on record that any Montreal radio listeners have shown indignation at not being able to tune in on Commission programmes. Indeed, most of the indignation so far evident in the country has been caused by the inability of radio owners to shut-off Commission programmes.

And in any event, if the Commission was bound to invade the Montreal field the sensible thing to do was to exercise the powers given it by statute to expropriate an existing station rather than to launch upon a needless duplication of facilities.

STATES BANKS ACT ILLEGALLY IN BOND DEALS

(Continued from page 1)

tion of illegality of this phase of the banks' activities, Chief Justice MacDonald, of the B. C. Court of Appeal is quoted in Royal Bank vs. Mack as stating:

"To hold that a bank could deal in securities for the profit of the respondent (Mack) or any other customers would be tantamount to holding that they could carry on a brokerage business which would be contrary to subsection 2 (a) of the said section 75, which declares that a bank shall not engage or be engaged in any business whatsoever except such as is authorized by the act."

Opinion of members of the Judicial Committee of the Privy Council is cited in Banbury vs. Bank of Montreal, 1918, in part, as follows:

Lord Parker of Waddington—"It would be difficult to establish that advising on investments was a part of the business of banking."

Lord Wrenbury—"Sir F. Williams-Taylor (of the Bank of Montreal) . . . says that in recommending investments the manager would be exceeding his authority. My Lords, in this state of things, I am of opinion that there was no evidence of authority, and that the Court of Appeal was right in holding that judgment ought to be entered for the defendants (Bank of Montreal)."

Cites Securities Sold

As evidence of banks' activities in offering corporation securities, a number of instances are given, including documentary evidence in the form of letters, prospectuses and advertisements.

The Canadian Bank of Commerce is named as underwriting $500,000 of Panama Pacific Grain Terminals Ltd. five per cent bonds guaranteed by Victoria, B.C. Members of the B. C. Bond Dealers' Association opposed the city guaranteeing the bonds, it is stated, and evidence to show the city paid an interest installment on the bonds on July 2, 1931, was entered.

Maple Leaf Milling Co. 5½'s and Simpsons Ltd. 6's are mentioned as bonds which were sold by The Canadian Bank of Commerce and which later depreciated substantially. In the same bank's monthly bond list, dated Aug. 2, 1930, it is cited that Beauharnois six per cent debentures, Abitibi Power and Paper 5's of 1953 and Canada Steamship Lines 6's of 1941 were offered. Mr. Fraser points out that these three issues were all defaulted. He suggested the inference that these issues might be presumed to be included in the bank's reference on its circular to "high-grade bonds" as "an excellent method of accumulating a substantial estate."

The same bank is mentioned as offering German Government 5½'s and participating in an American syndicate for Chilian six per cent bonds, the former having depreciated materially and the latter being in default.

O. P. S. Financing

Ontario Power Service Corp. 5½ per cent bonds are mentioned to illustrate operations of other banks in underwritings. Banks in the underwriting were The Royal Bank of Canada, The Canadian Bank of Commerce, The Bank of Nova Scotia, Imperial Bank of Canada and Banque Canadienne Nationale. Of the Bank of Nova Scotia, the brief says:

"May we here pay this tribute to The Bank of Nova Scotia, who had not displayed anything like the same aggression in the bond business as had the other three largest banks; it was largely due to the fact that they were associated with this financing that many of our members decided to take a participation in this issue and to recommend the bonds to our clients."

This record of the Bank of Nova Scotia is cited as an example of the "very great moral effect" on investors of an offering of bonds by an institution with "such a good reputation for conservatism and dependability." The issue defaulted within two years. Says the brief:

"There is, however, one feature about having such an influential group involved in an issue of bonds. They were, in the case of the Ontario Power Service Corp., when that company got into such difficulties that it was unable to complete the construction of its power units, able to have the whole project taken over by the province of Ontario."

Montreal Co. of New York

Bank of Montreal's ownership of the Montreal Co. of New York, Inc. is termed "a direct violation of the laws of the Dominion of Canada." A list of "investment suggestions" by this Bank of Montreal securities subsidiary "is really not a bad one," Mr. Fraser's paper states. But it is cited that American Power and Light six per cent preferred stock, which was offered in the list at 108, was at 25 on Sept. 8, 1933, and has been below 10 this year.

Montreal Co. of N. Y. Inc. had total assets of $1,833,623, capital $230,313, including original $100,000, and owed clients $167,260 at Oct. 31, 1930, says the brief. It also had bank loans of $1,436,050, "which would appear to be very generous accommodation for a company of such small capital," comments Mr. Fraser. The company is now inactive, having $1,000 in the bank and 1,000 shares of one dollar each, all owned by the bank.

National City Co. Ltd.

The advisory board of The National City Co. Ltd., Canadian subsidiary of the National City Co., which in turn was the securities affiliate of the National City Bank of New York, it is pointed out, were all Canadian bank directors, with one exception. Mr. Fraser says:

"It must be considered regrettable that Canadian bankers lent their names to American-controlled houses, no doubt for the purpose of distributing—shall we call them securities —to Canadian investors."

Too much power is concentrated among Canadian bank directors, the brief argues. The Financial Post Survey of Corporate Securities is used to show that of 250 Canadian companies with assets of over $2,000,000 each, 151 have bank directors on their boards. The assets of these companies amount to $5,500,000,000 as compared with less than $1,000,000,000 for the other 99 companies. Influence of bank directors over corporations is extensive in some instances, the brief contends.

The question of the relationship between the Royal Trust Co. and the Bank of Montreal is discussed. It is shown that of 24 directors of the trust company, 14 are also directors of the bank.

Says Competition Unfair

The seriousness of this, in Mr. Fraser's viewpoint, is the tremendous advantage banks have because of direct contact with those who have funds to invest. Also, it is contended, banks can "practically dictate" to borrowers on investment policies.

Competition from banks in sales of securities is often "the most unethical and demoralizing possible," the brief states. Insinuations that it is unsafe to deal with investment houses, "hijacking" of deals which investment bankers have spent the time to arrange, illegal solicitation of orders and failure to establish secondary markets for underwritings are alleged features of bank competition decried in the brief.

Mr. Fraser does not deny the importance of banks, as lenders, in financing of security flotations. But he concludes that it is unnecessary for banks to enter into the business of selling securities to fulfill this function.

In connection with criticism of the banks on this score, it is notable that The Financial Post has had letters from investors who prefer to do their security business through banks. This, of course, could be done if banks merely acted as agents in such transactions.

BRANDRAM PAINT TO SUBMIT PLAN TO BONDHOLDERS

Radical Changes Noted in 18 Months' Financial Statement

From Our Own Correspondent

MONTREAL. — Shareholders of Brandram-Henderson Ltd., paint manufacturers, are meeting in Halifax on October 5 to pass upon a plan to be submitted to the holders of the consolidated mortgage bonds for modification of their rights. While the company will not make public details of the proposal prior to the meeting, it is understood the bondholders will be asked to agree to some arrangement for waiver of sinking fund payments and a temporary cessation of fixed interest charges by putting their bonds on an earned income rather than a fixed income basis for a limited period.

Affairs of this company have not been going smoothly for some time. Changes have been made in the management and last March the company deferred interest on its consolidated mortgage bonds. On November 1, 1932, dividends on the common stock were omitted and in June, 1932, the dividend on the cumulative preferred stock was passed.

Revise Financial Statement

Complete revision of the company accounts and an operating loss of $250,000, is shown by the financial statement for the 18 months ended June 30, 1933. In a desire to ascertain the position of the company and to place its finances on a basis permitting a proper appreciation of the situation, the accounts of the company were carefully gone over and changed to bring the position of the company up to date at the time the report was made.

Operating Loss $244,094

During the 18 months period the company suffered an operating loss of $244,094 compared with a profit of $100 in the 12 months ended December 31, 1931. No depreciation was provided during the period and after providing for the usual charges, though $75,637 of bond interest was unpaid, the profit and loss account shows a deficit of $347,861.

The management took the occasion to write down certain items among assets, notably investment in subsidiary companies, and to set up a capital surplus of nearly $450,000 out of the previous surplus. After these adjustments were made a surplus of $655,156 at the end of 1931 was converted into a deficit of $353,001 at the end of June, 1933.

Particulars of the income account follow:

	1931	1932
	$	$
Net Earnings	100	**244,094
Less: Deprec.	10,000	......
Bond Int.	60,869	†90,194
Reval. of Sec.	98,555	8,573
Net Income	*174,324	*342,861
Less: Pfd. Divds.	35,000	5,000
Com. Divds.	11,799	......
Pensions	4,000	......
Spcl. Res.	20,000	......
Surplus	*245,123	*347,861
Prev. Surplus	900,279	655,156
	655,156	307,295
Written Off:		
Res. Doubt. Accts. .	......	20,000
Advtg. Mat.	......	19,789
Sub. Investa.	......	182,381
Capital Surplus ...	......	449,544
Bond Discounts ...	......	11,418
Carried Forward ...	655,156	*353,001

** Loss.
† $75,637 unpaid.
* Debit.

The balance sheet at the end of June, 1933, shows a total of $3,531,006 in assets compared with $4,084,173 at the close of 1931. There is a reduction of nearly half a million in working capital. Inventories have been reduced from $727,124 to $297,402.

Investments in and advances to subsidiary and affiliated companies have been itemized, and, at the same time, written down from $340,288 to $221,816. Minor changes have been made in other assets.

Separate Intangible Items

When it came to fixed assets the auditors made another radical change. Patent rights, formulae and goodwill have been segregated from property account. The combined value of the two items at the end of 1931 was $2,566,349. The current report shows fixed assets, less depreciation, at $1,299,243, and patent rights, goodwill, etc., at $1,059,994.

Turning to the liabilities the report shows a reduction in bank loans from $390,974 to $288,000. This improvement is not as great as indicated as the company has a contingent liability of $82,000, representing guaranteed bank loans.

The funded debt account shows a reduction in first mortgage bonds outstanding from $169,600 to $155,100. This issue is in technical default as the sinking fund is in arrears to the extent of $29,500.

The consolidated mortgage debt has been reduced $12,000 to $825,000. This issue is in default, interest payments being behind to the extent of more than $75,000, while the sinking fund is short $64,130.

Under contingent liabilities the company has discounted bills receivable up to $88,728, while accumulated dividends on the preferred total $47,500.

Comments on Position

Following are the remarks of the new president, P. Jack, in part:

"The amount of $190,954.56 has been written off the investment account of the company. The principal items of this investment write-off are:

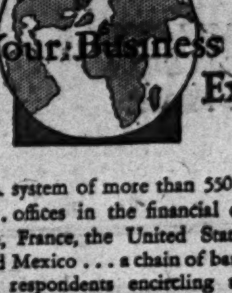
Pacific White Lead Co., Vancouver	$138,588.23
Paint Service Ltd., Ottawa	9,751.41
Paint Service Ltd., Vancouver	34,041.48

"Your subsidiary company, the Alberta Linseed Oil Co., has a balance at the credit of profit and loss account of $60,072 of which $50,545 is profit made in the last ten months, before allowing for depreciation. This company is a wholly-owned subsidiary but, inasmuch as no dividend had been declared by June 30, 1933, this profit has not been taken into account in the statement submitted but could be applied in reduction of the deficit now reported.

"At the suggestion of your auditors certain changes have been made in the form of the balance sheet. Patent rights, formulae and goodwill have been separated from real estate, buildings and equipment, and with regard to the amount of $449,544.33 which had been credited to surplus account as a result of a revaluation of fixed assets in 1920, your directors and your auditors have deemed it advisable, in the light of present day conditions, to show this item apart from ordinary operating surplus.

Up To Bondholders

"As a result of the above conditions your directors regret to report that the company has had to discontinue payment not only of the preferred dividend but also of the interest due on the 6 per cent consolidated mortgage gold bonds on March 15 and September 15, 1933. The directors have now had the benefit of the experience of the first half of 1933 and this, taken with the record of the company during the recent years and having regard to the present position as reflected by the balance sheet, points imperatively to the necessity for the readjustment and scaling down of fixed charges. Immediate steps are being taken, therefore, to advise the consolidated mortgage bondholders of the financial position of the company and lay before them a plan for placing these bonds on an earned income basis rather than a fixed income basis for a limited time."



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CASH DOLE BEST WAY OUT; BURTON PLAN

Claims Commodity Relief Accentuates Breakdown in Business Morale

CANNOT BE AUDITED

Public Authorities Shunting Permanent Relief Problems to Future — Favors Well Run Land Settlement

"I think that it is time that our Federal, Provincial and Municipal Governments together determined on a cash dole to be paid on a sustenance of life basis and not on a social benefit basis," was the startling statement made by Charles L. Burton, president of Simpsons Ltd., to a representative of The Financial Post who asked him what effect various relief programmes were having on business. Mr. Burton takes a deep and wide personal interest in all problems connected with relief and gives a great deal of his spare time to organizations attempting to cope with the situation as it develops in Toronto and elsewhere. His opinion, and the reasons for it, are therefore of great interest.

Mr. Burton's view is that under present conditions, with the distribution of relief on a wider-spread scale the plans adopted should be such that they cannot be influenced to the extent they now are by sentimental, social and political pressure. The results are wasteful in the extreme he urges, and at a time when there is a chance of business recovery it is essential to show efficiency and business sense in dealing with relief. Otherwise the disintegrating effect of political and social influence entering into the question of relief would postpone a return to better conditions.

Permanent Plan Needed

"It did not matter so much until the semi-panic of May-June, 1932. This crisis made plain the serious nature of the problem. It is not right to deal with relief by giving groceries, food, clothing on the present plan where Dominion, Province and City collaborate because it leads to greater expenditure than need be. Relief expended on the basis of distribution of commodities cannot be properly supervised. There is no auditibility in the distribution of commodities and in view of the fact that we are going to have a good deal of unemployment and distress for some time to come it should be treated on a more permanent basis where checking and supervision is possible.

"Consider the temptation facing a local politician in a municipality who knows that if he spends $1 he will get $2 more for relief by contributions from Dominion and province. The money being spent for commodities, and audits in such cases being naturally difficult, advantage will be taken. The pressure on the local politician will be great.

"The problem is not so acute in the larger centres where there are organizations capable of dealing in a large way with distress but smaller municipalities without adequate organizations have been almost swamped by the situation. We cannot afford to keep on as at present. There is a very serious breakdown in the morale of business which is accentuated by the present distribution of food, clothing, coal.

Most Economical Way

"I suggest a cash dole for the following reasons: first, it is possible to estimate the amount to be expended; and, second, the average house-wife in a British country will make $6 go as far as a public body will make $12 go. I believe that the unemployed person who has to accept public relief would rather have a more modest sum than is being expended upon her if she could spend it herself. Such a distribution by cash dole would therefore be more economical and better socially than when distributed as at present. I believe every able-bodied person receiving relief should do some work to justify it. Only those physically unfit should receive distribution gratis.

"There will doubtless be objections to this plan, and some of them valid. Some will ask, 'How about shiftless men and women? Will they not spend anything they get as soon as they get it?' I am not advocating indiscriminate handing out of money. There are social agencies whose assistance could be called in to cope with just such problems. There should be provision to see that the money is spent for needed things only. You can do that if you are giving cash whereas you have no check if you give goods. The recipient can take the goods and exchange it for cash. That has been done. I came across one instance where there were 100 pounds of beans stacked in a corner because no one would eat them. The children used them to play with.

Should Pay As We Go

"It is wrong for various public authorities to distribute relief on the basis that future generations will have to pay for it. Distress is with us now and should be met with resources now available. Politicians naturally like to shelve the raising of heavy taxes to meet what they have made themselves believe is an emergency problem. The result is that the bills for relief are being piled up for future taxpayers to pay. Too many of our public men are shoving away from immediate consideration the question of sane handling of public relief. They think it politically dangerous, and they are afraid of consequences if they admit that the need of relief is more than a temporary question. I think it is pretty well conceded by people who are in close touch with the present widespread situation that a number of people will require relief for some time to come.

Doing Needed Work Cheapest

"There are dirty streets, dirty public buildings and inadequate public services in many lines because Governments are economizing. The excuse given for not doing needed things is that the present rates for labor are too high. It apparently is only common sense to suggest that when there are many unemployed people willing to work at rates a city can afford to pay rather than accept charity the two should come together. Why should we give relief to able-bodied men and not require them to do the obvious work that needs to be done?

"So far as able-bodied single men are concerned there are 20,000,000 acres of arable land in Northern Ontario awaiting them as soon as the problem of settlement is tackled in a businesslike way which it never has been up to the present time.

"I am convinced that private funds, along with some measure of Government help, could put the right sort of men on the land in a way that they would be self-supporting in a few years, and in a measure self-supporting almost from the beginning. The causes for failure to date are obvious and avoidable. There is a marvellous opportunity for such work and it is not enough to say that there is over-production of farm products at present. Such a settlement could be built up with the first object of feeding and sheltering the men, of giving them the opportunity to build up homes on a secure footing and money crops could be developed to help pay the outlay. A community would grow around such an effort, if properly administered, and many of the problems which now seem so formidable would solve themselves.

"The question of relief should involve the getting of unemployed men and women back to sustaining and eventually remunerative work and of dealing with relief in the meantime on a common sense and business basis."

Income Tax Officials Probe For Taxpayers' Last Cent

From Our Own Correspondent

OTTAWA.—The Government in the rôle of a tax collector is attracting much attention both at Ottawa and in the country in these days.

From the viewpoint of the country, it is apparent that the rigor with which Federal taxation is being enforced is causing a good deal of indignation—righteous or otherwise—and the publication of the facts of the Solloway income tax settlement in last week's issue is not adding to the popularity of the ministry.

It will be noticed that the revenue from the income tax this year is only slightly behind that of 1932. It is true that the income tax rates were sharply stepped up in the last budget, but incomes have declined rapidly also. In fact, the good showing being made by the department is due, almost entirely, to the efficiency and the persistence of the income tax branch.

After Last Dollar

In the past year, as many taxpayers no doubt are aware, there has been a marked change in enforcement. The branch has deliberately gone after every dollar of income which could be discovered. This has been done almost regardless of the cost of collection.

Formerly the branch followed a different policy. Without letting the public know, nor condoning any evasion of the income tax, no great effort was put forward to collect "high cost" revenue. That is to say, the branch worked on the system that a certain percentage of cost to collections should be maintained. If small sums promised to run the collection cost above this percentage, then the efforts were relaxed. The general principle was that any tax which costs, say, more than 3 per cent to collect is an inefficient one.

Is productive Policy

In these hard times, however, the cost of collection has become of secondary importance and the branch is going after all the revenue it can find, regardless of trouble or expense.

The result is that income tax revenue is standing up very well, in comparison with other taxes, and the general public is having the income tax brought very forcibly to its attention. It is, indeed, an under-statement of fact to say that if business was normal the present tax rates on incomes plus the prevailing collection policy would net the treasury well over $100,000,000 per year.

AUGUST EXPORTS MAKE MANY GAINS

Both Empire and Foreign Countries Take More Goods

Canada's international trade in August showed an increase of almost six million dollars in domestic exports to foreign countries. The total export to these countries was valued at $26,183,000 compared with $20,408,000 in August last year.

The outstanding feature of the August exports was increased shipments to forty-three foreign countries which, with increased exports to nineteen British countries, or groups of countries, made sixty-two countries that last month purchased Canadian products in greater volume than a year ago.

During the five months of the present fiscal year the exports to foreign countries totalled $112,225,000, an increase of $215,000, while exports to all countries at $217,624,000 showed an increase of $15,735,000, or over 8 per cent.

ELECTRICITY OUTPUT CONTINUES TO GAIN

Fourth Consecutive Monthly Advance Recorded in August

Production of electricity in Canada continued to increase in August. The total output was 1,508,213,000 kilowatt hours which was an increase of 11.5 per cent over the July output and 22.6 per cent over August 1932 output.

The Maritime provinces produced less than during July this year and August last year but Quebec, Ontario, Prairie Provinces and British Columbia all showed large increases over both of those months outputs.

Also a larger proportion was consumed in Canada than in July, the exports to the United States declining from 119,192,000 kilowatt hours in July to 112,322,000 kilowatt hours in August.

This is the fourth successive month that the daily output has increased over the output of the previous month.

Oil Deliveries Larger

Oil deliveries to the three Calgary refineries in August from Turner Valley companies amounted to 68,339 barrels, compared with 63,000 barrels in July. The increase in deliveries is partly accounted for by the operation of the Royalite Oil Company's absorption plant which is now extracting large quantities of naphtha from tail gas, which was formerly burned in the field.

SOUTHERN ALTA. CONDITIONS FAIR BUT CROP SMALL

Beet Crop Helps Farmers in Many Areas This Year

From Our Own Correspondent

LETHBRIDGE. — Southern Alberta is busy cleaning up its 1933 harvest and in checking the situation finds that it has much to be thankful for. The crop has not been a heavy one, although a bumper was promised in the early spring—perhaps not more than 16,000,000 to 18,000,000 bushels of wheat will be marketed as against 30,000,000 to 40,000,000 bushels in the better seasons—yet all sections will have some grain money and conditions this winter will not be bad.

That is generally admitted. Even the feed situation that gave much concern for a time because of continued dry weather and browning pastures, has improved greatly and while there will have to be some feed relief extended to stockmen in the foothills area north of Pincher Creek, this need is by no means extensive. Cattlemen have put up more than the usual amount of feed and reserves in the south and southeast are considered ample.

S. E. Alberta Best

Curiously enough, southeastern Alberta, long considered the dry belt, leads the country in crop average this season. The southeast will thresh an average of 18 bushels, some crops having run over 40 bushels to the acre due to a series of opportune rains that missed areas farther west and north. This good crop will put the southeast in a favored position and it is no surprise to find store bills and taxes being paid, schools, urban and rural, open, and a much better feeling prevailing. Towns are improving streets and buildings and farmers are buying more goods such as clothing and furniture. A remarkable point this fall season generally over Southern Alberta has been the many cash purchases of farm machinery and parts.

Irrigated areas will raise good crops of potatoes, sugar beets and forage. Some fields of irrigated wheat have yielded fifty and others sixty bushels to the acre, but again there are farmers whose returns will be less than half that figure. Where fields have been kept clean and have been watered faithfully the yields are excellent. Good farming again has paid handsome returns, and this applies to the dry land areas as well as those "under the ditch."

The Alberta government-backed Lethbridge Northern Irrigation District, lying adjacent to the city, is taking off some good crops and seems to be now on its feet. Mixed farming is spreading with dairying and poultry well to the fore. The best sugar beets in the country perhaps are in the Lethbridge Northern district with Taber and Barnwell a close runner-up.

Again the sugar beet promises to be one of the best cash crops in this section of the west. The beet crop will be normal and the Raymond factory will have a three-months run at least. The beet harvest is now in progress with the prospect of 13,000 acres harvested which means that roughly a million dollars to farmers for beets alone will be put into circulation. This, of course, does not cover amounts paid out for factory payrolls, field help, freight, coal, lime, bags, etc. Beets are running over 16.5 in sugar, tests disclose, and this percentage will rise rapidly from now on, probably exceeding 18 per cent.

Fraser Cos. Finish Sawing at Victoria Lumber Mill

From Our Own Correspondent

MONTREAL—Sawing operations at the Victoria mill of Fraser Companies have been discontinued for this season. The cut ran to about 6,000,000 board feet of lumber, the bulk of which went to United Kingdom markets. The planing mill at Victoria will continue to operate in the event of sufficient orders being received in the near future.

REDUCED PRICES FOR ALL TOBACCOS INCREASE SALES

Consumption of Cigarettes and Cut Tobacco Higher

BUT REVENUE DOWN

Past Three Months' Sales Almost Equal Value in 1932 When Unit Cost 20% Higher

Consumption of both cigarettes and tobacco this year is running well ahead of 1932, tobacco consumption being also ahead of 1931, while cigarettes are steadily approaching the level of that year, analysis of the monthly returns of the excise division of the Department of National Revenue reveals. The greatest increase in cigarette consumption has taken place during the past three months, while tobacco consumption has been steadily gaining for almost two years.

It would appear that two factors have entered into the increase in cigarette consumption. First of all, the reduction in price which took place in November last year resulted in a stimulation of sales, while the large increase of the past three months may be more correctly credited to an increase in spending power of Canadians.

Spend Same Amount

In seven of the ten months since the excise tax on cigarettes was decreased from $6 to $4 a thousand, cigarette sales are higher than in the corresponding month of the previous year. The aggregate increase over the ten months as compared with the corresponding ten months of the previous years is 286,000,000 cigarettes.

During June, July and August, Canadian smokers spent approximately the same amount of money on cigarettes as during the corresponding three months of 1932, although the price has been reduced 20 per cent. Consumption in these three months of 1933 amounted to 1,299 million cigarettes which, on the basis of a cent a cigarette (the general price of the most popular brands), means an outlay of $12,990,000. In the same period of 1932, the number of cigarettes consumed was 1,045 millions; as the prevailing price for the popular brands at that time was 25 cents for 20, this represents a cost of $13,060,000.

Cut Tobacco Higher

Prior to the cut in the excise duty on cigarettes and tobacco the consumption of tobacco was rising, the increase being attributed to the use of this tobacco by smokers in 'rolling their own cigarettes. By this method, between 30 and 50 cigarettes could be made from a 10 cent package of tobacco, the cheapness being a valuable consideration during the worst period of the depression. Continuation of this habit probably accounts, in part, for the maintenance of higher tobacco consumption.

It is noteworthy, however, that the largest comparative increases between months this year and corresponding months a year ago has taken place during the past three months. This increase helps bear out the impression gained by a study of cigarette figures that the most recent increases have been the result of increased spending power.

Revenue Loss Reduced

The increase in consumption of tobacco and cigarettes has helped to reduce the loss in revenue which the Government took by reducing the excise tax. In the ten months since the excise tax was reduced, cigarettes released for consumption have totalled 3,501,000 thousands, which, at the rate of $4 a thousand, brings a return of $14,004,000. In the corresponding ten months of the previous years, consumption amounted to 3,215,000 thousands, the revenue at $6 a thousand being $19,290,000. The decrease of $5,286,000 in revenue compares with a decrease of $6,430,000 had consumption remained at the same level as in 1931-32.

Monthly cigarette and tobacco consumption over the past three years is shown in the following tables.

Monthly Consumption of Cigarettes
(In Millions)

	1933 No.	1932 No.	1931 No.
Jan.	310	278	320
Feb.	265	281	327
Mar.	305	304	350
Apr.	267	269	382
May	361	313	383
June	438	377	430
July	450	339	474
Aug.	411	329	425
Sept.	...	314	371
Oct.	...	214	345
Nov.	...	389	356
Dec.	...	305	369
Total	...	3,712	4,533
8 Mos.	2,807	2,490	3,091

Monthly Consumpt'on of Cut Tobacco
(In Thousands of Pounds)

	1933 lbs.	1932 lbs.	1931 lbs.
Jan	1,066	1,144	1,058
Feb.	1,429	1,272	1,163
Mar.	1,538	1,415	1,373
Apr.	1,262	1,660	1,251
May	1,491	1,437	1,487
June	1,517	1,494	1,481
July	1,599	1,488	1,469
Aug.	1,823	1,560	1,449
Sept.	....	1,662	1,458
Oct.	....	1,551	1,453
Nov.	....	1,428	1,451
Dec.	....	1,210	1,367
Total		17,321	16,460
8 Mos.	11,725	11,470	10,731

West Using Fertilizers

More ammonium phosphate was sold in the Prairie Provinces than in any other part of Canada last year according to federal figures. In fact, the records show more of the material sold to the Prairies than any other fertilizer, no doubt on account of its concentrated fertilizing properties.

GOV'T CONSIDERING PLAN TO ANNOUNCE TAXES IN ADVANCE

Would Hope to Avoid Necessity of Correcting Serious Errors

TWO KINDS OF TAXES

Those That Could be Evaded Through Advance Information Would be Held in Reserve

From Our Own Correspondent

OTTAWA.—In some respects the new taxes imposed last budget have proved not only a great source of worry to the tax collecting services but, also, very disappointing to the treasury. One result of this may be an important change in the budget system.

Last March, Hon. E. N. Rhodes imposed a tax on income derived from foreign securities. It was estimated at the time that the revenue from this tax would approximate $11,000,000. The announcement, however, was unpleasantly received by holders of Canadian securities in foreign countries. It will be recalled that the London Stock Exchange took steps to banish Canadian securities from its boards and other agencies were equally bellicose. The upshot was that the tax was repealed on many classes of these securities and, as a result, the total revenues will scarcely exceed $3,000,000.

Two Classes of Taxes

The worry and uncertainty occasioned by this experience has caused the Government to consider making a change in the system of annual budgetting. What is being proposed is, simply, that the taxation section of the budget be divided into two parts. One part would include all taxation which can be evaded by advance action—such as the sugar tax. The other would include taxation which cannot be evaded in advance—such as the tax on income derived from securities.

Changes in taxation of a kind that might be evaded would have to be held secret until the budget was announced. But the cabinet is considering if it might not be wise, and in the best interests of all concerned, if the other kind of taxes were announced, say, six weeks in advance of budget day. This would enable all parties interested to make representations to the Government. The tax could be modified, if necessary, and could then be incorporated in the budget in a form which would make subsequent amendment unnecessary. In this way business would be spared much of the worry and harassment of budget day: could feel confident that an opportunity to state its case would be offered prior to a final decision.

Experience in recent years is believed to point to the wisdom of this change. It would be highly beneficial not only in times of depression but of prosperity. Scarcely one budget in the last six years has emerged from parliament in its original form, and most of the changes have had to be wrung out of ministries by business men in last moment exhortations. The tax on mining stocks, imposed by the late Hon. J. A. Robb, is a case in point. The Dunning tariff on fresh fruits and vegetables is another. The Bennett revision of the income tax is a third.

Politicians Would Dislike Plan

There are strong influences, traditional and political, which would be opposed to this innovation. It is the British tradition that a finance minister present his budget complete to the crossing of the last "t." This tradition took deep root in our parliamentary system in days when the taxation structure was infinitely simpler than it is today. And politically, the Opposition would view with alarm any change whereby a Goverment could learn about its mistakes prior to making them. Drastic changes in the form in which taxation is announced in a budget are always taken as prime evidence of the incompetence of a ministry and every opposition seeks to curry favor with those who are injured.

To allow a Government to consult the country about new taxes before consulting parliament; to avoid costly blunders and errors—this is strictly against the rules of the Great Game of Politics as played at Ottawa. But the advantages to the country as a whole would be so great that a little pressure by the business community might persuade the Government to make a change.

Proposal Now Under Review

From a practical standpoint there is but one weakness in the suggestion. As a general rule, Governments do not know what kind of new taxes they will impose until a few hours prior to the announcement of the budget. It is no uncommon thing at Ottawa for a cabinet to make a vital change in the taxation section of the budget within two hours of the time the minister takes the floor in the House of Commons.

However, the advantage of allowing a ministry to consult the business community well in advance with regard to new taxation is so obvious that Governments might be willing to pay for it by planning their taxation policies a few weeks in advance.

In any event this proposal is now under review at Ottawa.

B. C. Lumber Exports Up

Lumber exports from British Columbia for the first half of the current year amounted to 241,000,000 feet b.m., as compared with 163,000,000 feet b.m. during the same period of last year.

4400 Years

OF TRUST SERVICE

Trusteeship, in the broad sense of the word, has been a perpetuating power in the progress of civilization through many centuries. The passing of property from one generation to another by written word was known in Egypt as early as the 26th century B. C. History records other instances of it in the 8th century B. C. in Judea. It is known to have been used in Assyria in the 7th century B. C. and in Japan as early as the 5th century B. C.

The oldest will known to students of history was executed in Kahun, Egypt, by Uah in 2548 B. C. in which he said, "I, Uah, am giving title to property to my wife. . . She will give it to any she desires of her children she bears me."

From these ancient beginnings corporate trust service had its origin in North America in the early part of the 19th century. During the past thirty years especially, it has grown steadily in public favor and acceptance.

The modern trust institution came into being as a logical product of our times. It developed in response to a public need for a responsible, continuous, and experienced organization that could serve efficiently as executor and trustee in an age of complex business and financial affairs.

Fidelity to TRUST

The Beginning of OUR Trust Service

Under our charter we were granted authority to render trust service. By virtue of this authority we are empowered to settle estates under wills for men and women, and to administer trusts for the benefit of individuals and their families—and for such organized groups as business associations, educational, social and charitable institutions. Our charter to do trust business gives us broad powers for public service. At the same time it imposes upon us very definite responsibilities.

During all of these years we have faithfully applied the principle of "fidelity to trust" to our every act, for every customer, for every beneficiary. These guiding principles are constantly before our employees, our officers, our directors. They are well known to our many customers and to beneficiaries whom we serve.

It is our belief that a re-statement of these principles will be of interest to the people of our community. In view of this fact we shall publish these principles, together with other interesting points about trust service, in subsequent advertisements. You are cordially invited to read them.

Crown Trust Company

William I. Gear, *President*
Arthur Lyman, *Vice-President*
John Jenkins, *Vice-President*
Irving P. Rexford, *Gen. Manager*

393 St. James Street - - Montreal

U. S. ADVERTISING LINAGE ADVANCES

August Returns Are Ahead of Those Reported Last Year

From Our Own Correspondent

MONTREAL.—For the first time in 45 months newspaper advertising linage in 52 American cities in August exceeded that of the corresponding month a year before, according to Media Records measurements as published in the Editor and Publisher.

Total linage last month was 86,338,635 compared with 78,838,572 in August last year. Display advertising increased from 61,275,143 lines in August last year to 68,180,831 lines for the same month in 1933. On the same comparative basis, classified advertising linage advanced from 17,563,429 to 18,157,804.

Automotive in Lead

Automotive advertising showed the greatest percentage gain, increasing from 4,754,202 to 6,796,922 lines.

Retail advertising totalled 44,793,918 lines last month as compared with 41,866,079 for the same month a year ago.

General advertising registered a gain of over 16 per cent, linage increasing from 13,034,094 to 15,197,583 last month.

Departmental store linage also registered a gain, the total of 18,950,184 lines in August, 1933, compared with 16,920,895 lines in August, 1932.

Financial advertising made the poorest showing, linage in August totalling 1,392,453 as against 1,620,768 a year ago.

Sir George Beharrel Makes Early Visit to Canada

A visitor to Canada next week will be Sir George Beharrel, managing director of Dunlop Tyres of England. He will be visiting the Caandian Dunlop plant in Toronto.

Sir George Beharrel is one of the leaders of British industry and has occupied the position of president of the Federation of British Industries.

WHAT!

Save money by taking a world cruise?

JOT DOWN the cost of the usual items of your winter's season at home—your club, entertainments and social activities—the servants and other items of household expense. See for yourself how much it costs you, just to live at home—and then how little it costs to get away from it all for 130 days of romance and adventure beyond the far horizon. The spring sunshine—the cosmopolitan fellow passengers—the happy shipboard life!

FROM NEW YORK
JANUARY 4 1934

This year's World Cruise by Empress of Britain will bring you the world's best at its best—the Mediterranean when it is gayest—India when travelling is most comfortable—Penang for Angkor Wat—Java and the Boroboedoer, world-famous Buddhistic remains—BALI, that Paradise of flowers and modern Eves—Japan in Cherry Blossom Time. Ten years' world cruise experience is Canadian Pacific's guarantee of perfect enjoyment.

33 PORTS
130 DAYS
Ship Cruise only
$1600
Shore excursions at very moderate rates. Standard Shore Program $500

Full information from your local travel agent or

J. BLACK MACKAY, General Agent,
Canadian Pacific Building, Toronto.

Word from a World Traveller

"YOU ARE TOO GENEROUS" SAYS A WORLD TRAVELLER

"When I have got more out of a company than the company has got out of me, I am always glad to even up the score a bit by saying a good word for them," says Mrs. Starr, of Philadelphia. "Certainly the Canadian Pacific deserves all I can say for them. I think they are altogether too generous with their passengers on the Empress of Britain.

"It isn't a cruise, really. You ought to invent some other name for it. It's just living in an apartment that happens to be afloat and moving, instead of being ashore . . . and with better service.

"I hear the Empress is going to Bali this year. Well, you can tell everybody for me that they will enjoy it."

Empress of Britain WORLD CRUISE

WORLD'S GREATEST TRAVEL SYSTEM

CANADIAN PACIFIC

EAT FLEISCHMANN'S
Yeast for Health
A vitalizing, corrective food in daily use by thousands of Canadians
A quality product of
STANDARD BRANDS LIMITED
HEAD OFFICE, MONTREAL
A Canadian corporation operating Canada's largest fresh food delivery system
MANUFACTURERS AND DISTRIBUTORS OF
Fleischmann's Bakery Products - Fleischmann's Yeast for Health - Magic Baking Powder - Gillett's Lye - Royal Yeast Cakes - Chase & Sanborn's Tea and Coffee

Chartered 1864
Savings Deposits
Withdrawable by cheque
Debentures
$100 and over - 1 to 5 years
The Huron & Erie
MORTGAGE CORPORATION

Utilities and Transportation

RAPIDE BLANC POWER PROJECT READY IN SPRING

Additional Power Needs Cause Shawinigan to Rush Work

From Our Own Correspondent

MONTREAL. — Completion of the Rapide Blanc hydro-electric development on the Upper St. Maurice River as soon as possible in order to provide the company with an additional supply of power, has been ordered by the directors of Shawinigan Water and Power Co.

Construction of this plant was undertaken some time ago, but its completion was deferred owing to the lack of any pronounced demand for additional supply of energy. For several months past, however, Shawinigan's power load has been steadily increasing until today all plants are running at capacity. This reflects the introduction of the electric boilers in pulp and paper plants and also the better demand for primary power.

Ready Next May

Work will be carried out at Rapide Blanc during the winter months and by next May it is expected that 80,000 h.p. will be available for distribution. This work will provide employment for several hundred people.

With the plant in operation work will be carried on in adding to the turbine and generating installations so that by the fall of 1934 the plant will be brought up to its maximum capacity of 160,000 h.p.

The carrying out of this work will require no financing on the part of the company, as it has on hand the necessary funds for this purpose.

Adequate Power Reserves

It will be recalled that in securing the right to develop the power resources on the Upper St. Maurice River—involving approximately 1,250,000 h.p. in all—the company agreed to complete the first unit at Rapide Blanc some time ago. In view of the fact that this power was not wanted at the time and that the completion of the project would only add to the surplus of power then existing, arrangements were made by the company with the Quebec Government to defer the development of the Upper St. Maurice until times were more propitious.

Under the terms of the lease, Shawinigan will not have to go ahead with the second development until 75 per cent of the firm power load of the Rapide Blanc plant has been sold under contract. This assures the company of an adequate supply of power when wanted under favorable conditions.

SOUTHERN CANADA LOWERS DIVIDEND ON COMMON STOCK

Increasing Charges Make Step Advisable With Earnings Off

From Our Own Correspondent

MONTREAL. — Reduction of nearly $50,000 in annual net operating income, increased taxes and payment of premium on purchase of United States funds to meet bond interest requirements and increased dividend on preferred stock, has caused the directors to reduce the dividend on the common stock from $1 to 80 cents a share.

This action was not unexpected in view of the fact that last year's report showed a small deficit after payment of dividends. With no improvement in earnings during the 12 months ended September 30, it was to be expected that some such action would be taken.

Will Reduce Charges

Reduction of the dividend by 20 per cent will save the company $77,756 on the basis of common dividends paid last year. This reduction will mostly affect the income of Power Corp. of Canada and Shawinigan Water and Power Co., who are understood to be the largest holders of the common stock.

Examination of the income accounts over the last three years—1930 to 1932—shows that net earnings have remained almost constant, ranging from a low of $1,402,214 to $1,437,073. Interest charges have increased about $33,000, due to the premium paid on the purchase of United States bonds for bond interest.

REFLECTING . . .
a World Demand

THE world's demand for gold becomes more and more insistent. The mining fields of Northern Ontario and Quebec are responding to this demand with increased production.

This, in turn, is creating demands for more power from Canada Northern Power Corporation, the output of which Company is over 7% in excess of that of 1932.

We recommend

CANADA NORTHERN POWER CORPORATION
5% BONDS—DUE 1953
(Payable in Canada, New York and London, Eng.)

Price: To yield about 7%

NESBITT, THOMSON
and Company Limited
355 St. James Street West, Montreal
Branches in all the principal cities of Canada

Quebec Creates All-Time Record Power Production For Any Month in August

Dominion Total Largest Since December of 1930

GAINS ARE GENERAL

Exports Continue at New Level — Daily Average Figures at New Level

From Our Own Correspondent

MONTREAL.—Not since December, 1930, have the central electric stations reported as large an output as that recorded in August, 1933, when 1,508,213,000 kw.h. of energy were produced.

While all provinces have contributed to the increased output, the gains made in Ontario and Quebec have been outstanding.

Quebec stations reported the largest output for any one month in the history of the industry.

Ontario stations, after a setback of many months duration, have been steadily increasing output and that for last month was the largest since March, 1932, and the largest of any August since 1930.

East And West Holding

Maritime stations have not been doing so well lately, though production has been on a parity with that reported for August in the past two or three years.

Demand for energy in the Prairie provinces has not yet started to pick up, so that production figures are not especially favorable. British Columbia, on the other hand, has been holding its own, stations in that province reporting a reasonably high output.

Big Gain Registered

In its report on the Central electric stations, the Dominion Bureau of Statistics shows a production of 1,508,213,000 kw.h. in August, compared with 1,442,657,000 kw.h. in the previous month and with 1,280,220,000 kw.h. in August last year. Thus during the 12 months period there has been an increase of nearly 300,000,000 kw.h. or 25 per cent.

Reports by Areas

Following are the figures on production of electric energy generated by water power during August, 1933 and August, 1933, in thousands of kilowatt hours:

	—August—	
	1933	1932
Maritimes	43,785	44,786
Quebec	865,746	663,911
Ontario	392,773	326,021
Prairies	83,178	82,129
B. C.	97,649	89,835

Daily Average Figures

The gains made by the central electric stations in the production of energy over the past year are more clearly shown by comparing the average daily output in the different economic areas. The table following makes such a comparison for energy generated by water power. The figures are in thousands of kilowatt hours and represent the average daily output in each division:

	—August—	
	1933	1932
Maritimes	1,413	1,445
Quebec	27,927	21,416
Ontario	12,670	10,517
Prairies	2,683	2,649
B. C.	3,150	2,898

Fuel Power Output

Little interest attaches to the production figures on the production of energy generated by fuel, as the total is so small as to have little bearing on the aggregate total. Following are the August, 1933 and 1932 output figures for the two main areas:

	—August—	
	1933	1932
Prairies	13,293	13,530
Other provs.	11,789	10,008

Exports Hold Gain

One of the most interesting and important changes in the electric energy production figures in the past two months has been the marked gain in the export of electricity to the United States. In other years exports have accounted for a fairly large share of production. Following the collapse of business in the United States in 1929, the demand for energy rapidly declined and in the early part of this year amounted to less than 50,000,000 kw.h. a month. Since May the trend of exports has been upward. In that month deliveries totalled 86,673,000 kw.h., or more than double that reported in the previous month. July exports aggregated 119,192,000 kw.h., while for last month deliveries totalled 112,322,000 kw.h.

Employee Sales Aid Bell Telephone

From Our Own Correspondent

MONTREAL. — Sales efforts by employees have contributed substantially to the annual revenues of the Bell Telephone Co. of Canada. For the first eight months of 1933 employees' sales numbered 35,800, from which the company derives an annual revenue of $810,000.

Sales during August numbered 3,000, providing the company with an annual revenue of $73,000. Ordinarily August is a slack month for telephone sales, but this year it proved to be exceptionally active. This improved trend is being sustained and September is expected to show a healthy gain over August.

During all of last year Bell employees made 68,000 sales. The importance of this work to the company is appreciated by a knowledge of the fact that these sales brought to the company an annual revenue of $1,575,000.

B. C. POWER CUTS MOTOR SERVICES; PAYROLL IS DOWN

Power and Gas Sales Show Decline — Trams Lose

From Our Own Correspondent

MONTREAL.—British Columbia Power Corp., principal utility on the Pacific Coast, reduced its staff from 3,500 to 3,300 and its wage salary bill from $5,500,000 to $4,800,000 during the year ended June 30 last, when net earnings of the company showed a reduction of nearly $500,000.

This reduction in the number of employees is reflected in a decline of operations in the various divisions operated by the company. Principal change during the year was the marked change in the motor bus departments. B. C. Power's operating subsidiaries have been active in fostering this type of utility service and the fact that operations have been reduced would apparently indicate that returns have not been altogether satisfactory in the past 12 months.

Fewer Buses in Use

The number of motor buses in service at the end of June last totalled 60, or 3 less than at the end of the previous year. Motor freight trucks in service, on the other hand, declined in number from 21 to 12.

While the total number of buses and trucks in operation declined from 82 to 72, passenger car and bus miles operated in 1932-33 amounted to 16,371,933 compared with 17,695,079 in the previous year; indicating a greater mileage per unit in operation.

In the light and power department the number of consumers increased from 121,169 to 122,298, while the kilowatt hour output declined from 346,549,095 to 324,085,930. The latter is the lowest figure reported since 1928. The figures on output also indicate that average consumption per customer in 1932-33 was less than in any corresponding period in the last five years. The motor load in 1933, at 159,377 h.p., was greater than in any of the past five years.

In regard to the physical properties operated by the company in the light and power department, the report shows no change in the number of hydro-electric plants, but the number of steam plants was reduced from 4 to 3. No change took place last year in the number of sub-stations and transformer stations. High tension transmission lines increased from 573 to 577 miles, while distribution pole line mileage advanced from 2,159 to 2,220.

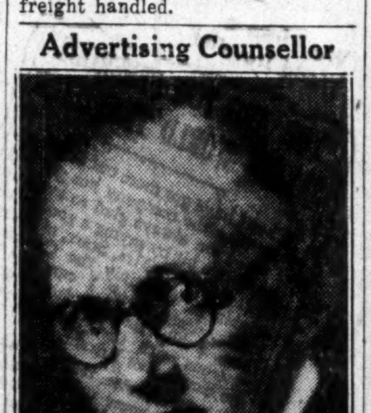
Gas Sales Restricted

The gas division reports sales of 1,221,304,000 cubic feet to 49,269 customers during the past year. This is the lowest volume of sales since 1929 and compares with the record of 1,313,074,000 cubic feet set up in 1932, when 50,728 customers were served.

The company now has three gas plants in operation, increasing the daily capacity from 9,100,000 to 11,000,000 cubic feet. The miles of mains in use have increased from 590.17 to 604.39.

The railway system continues to report unsatisfactory operations, returns last year showing a loss. The company reports 63,190,419 passengers carried and 218,776 tons of freight handled.

Advertising Counsellor



W. P. TUTTLE
Former president and director of Ronalds Advertising Agency, who has opened an office in Montreal as an advertising, merchandising and public relations counsel.

TEST CASE NATURE OF TARIFF ENQUIRY VERY IMPORTANT

British Gains Would Open Way to Appeal to All U. K. Trades

From Our Own Correspondent

OTTAWA.—With the opening this week at Ottawa of the woollen tariff enquiry by the Tariff Board, the first actual test of Canada's concessions to Great Britain under the Anglo-Canadian trade agreement is being made.

The Tariff Board enquiry, in fact, is of much greater importance than the nature and the extent of the present hearings would indicate. It is more important, by far, than an investigation into the woollen schedules of the tariff.

If, as a result of the enquiry, British woollen manufacturers obtain a reduction in the Canadian tariff, then the way will be open to all British manufacturers to appeal for lower duties. If the enquiry confirms the present tariff it is not thought likely that there will be many more applications from Great Britain under the treaty.

Million Dollar Market

But even restricted to the woollen schedules of the tariff, a market of nearly $1,000,000 per year (in normal times) is at stake. Canadian manufacturers of yarns, warps, felts, blankets, woven fabrics, wearing apparel, knitted goods, socks and stockings, gloves and mitts stand to forfeit a substantial part of the domestic market if the Preferential tariff is reduced.

While the dollar volume of imports has been lowered considerably in recent years by the decline in values, and also by the reduced purchasing power of recent years, the effect of the high tariff of the last three years is suggested by the following import figures covering the articles named:

1928	$1,799,384
1929	1,610,702
1930	1,582,129
1931	1,116,138
1932	628,261

The extent of the tariff increases has been as follows:

	May, 1930	Present Tariff
Yarns	20 %	15 % plus 15c lb.
Yarns & Warps	12½%	10 % plus 10c lb.
Felt	15 %	15 % plus 10c lb.
Blankets	22½%	22½% plus 20c lb
Woven fabrics not exceeding 6 ozs. per sq. yd.	10%	20 % plus 12½c lb.
Woven fabrics not exceeding 5 ozs. per sq. yd.	22½%	27½% plus 25c lb.
Wearing apparel	27½%	30 % plus 25c lb.
Knitted garments n.o.p.	20 %	25 %
Socks & stockings	25 %	30 % plus $1 per doz. prs.
Gloves	22½%	25 %
Mitts	15 %	25 %

Canadians Fight Cut

That British manufacturers of wool yarns and cloth have had opportunity for more than reasonable competition under the present tariff, was the contention of H. Barrett, president of Canadian Woollen & Knit Goods Manufacturers' Association, speaking on behalf of the Canadian industry. He presented figures to prove that the British manufacturers were obtaining a fair share of the Canadian market. In part, he said:

"As close as we can work it out the situation in 1932 in regard to cloth was this: for every three and three-quarter yards of cloth produced and sold in Canada by Canadian mills, there were three yards imported into Canada and sold. Of the three yards imported 2½ yards was cloth manufactured in Great Britain and ½ yard was manufactured in foreign countries. Our figures for the total cloth market in Canada for 1932 are 18,418,522 lineal yards, of which 10,321,211 were produced by Canadian workers in Canada and 8,097,311 yards were produced by workers in other countries. Of the 8,097,311 yards imported 6,762,311 were imported from Great Britain and 1,335,000 were imported from foreign countries. It is difficult to see what objection can be raised to this division of the market except by Canadian workers and Canadian mills.

"It is not generally understood that in calendar year 1932 Canada purchased from Great Britain a greater value of manufactures of wool than was purchased from Great Britain by any other country in the world, inside or outside the Empire. Inside the Empire Canada purchased more from Great Britain than the purchases of New Zealand, Australia and British India combined, or British South Africa and the Irish Free State combined."

Near Bankruptcy in 1930

Necessity for the present tariff schedule was stressed by reference to the state of the industry in 1930 before the tariff was in operation. In that year, Mr. Barrett said, the whole industry was in danger of being forced into liquidation. Only 22 per cent of the home market was being handled by Canadian mills and production was so small that service could not be given, he added. Immediately following the change in the tariff, the Canadian industry was enabled to again obtain a fair volume of business.

Since that time the Canadian industry has steadily expanded, more types of cloth now being made than ever before, Mr. Barrett explained. He said that considerable benefit had accrued to the Canadian farmer through the increasing use of Canadian wool by domestic mills. He estimated that Canadian mills now took 75 per cent of the total Canadian wool clip.

Revival Through Tariff

In conclusion, Mr. Barrett stated that in the opinion of the association which he represented, the tariff revived a Canadian industry and that it gave employment to men and women at a time when it was of prime economic importance to do so. He claimed that service had been given to consumers at reasonable prices and that proof of the liveness of the industry was the expansion in quality and range of goods which had taken place during the past two years.

Turnbull Now Associated With Tuttle Service Firm

From Our Own Correspondent

MONTREAL. — Announcement is made that B. W. Turnbull has become associated with W. P. Tuttle, advertising, merchandising and public relation counsel, who recently established his business. Mr. Turnbull has been identified with manufacturing, transportation and financial firms, and latterly has been an account executive of the Ronalds Advertising Agency.

Hudson's Bay Chieftains Meet

For the first time in the history of the Hudson's Bay Company, the governor, the deputy governor and the chairman of the Canadian committee met on Canadian soil recently. They are shown in the above photograph. Left to right they are **GEORGE W. ALLAN, K.C.**, Winnipeg, veteran chairman of the company's Canadian committee; **COL. P. ASHLEY COOPER**, London, governor, who is now on a tour of inspection of the western stores; **SIR ALEXANDER MURRAY**, deputy governor, who besides being prominent in Hudson's Bay affairs is a noted authority on South American finance.

Sees N. R. A. Gold Inflation Aid to Canadian Situation

Revaluation of American Dollar Should Help Our Mines, Industries and Bonds in Opinion of Financier

By LT.-COL. J. G. WEIR
McLeod, Young, Weir & Co. Ltd.

President Roosevelt has to have something tangible by way of improvement ready before Jan. 1, when Congress meets, and if the N. R. A. looks like a failure, or if business slows up, we can expect an effort on the part of the president in some new direction. He himself says that he can be likened to a quarterback, and that as soon as the impetus from one play is lost, he will launch another and, meanwhile, he also is committed to a spending programme as an additional effort to speed up industry and create work for the unemployed.

The play which is talked of most is a form of inflation through the reduction of the present gold content. This would appear to be one of the sanest methods of inflation, and there are many who think that this should have been done long ago, and would have been done were it not for the fact that a great deal of gold is being hoarded in the United States, and the government has been making every effort to get in as much of this as possible before taking any steps to change the gold content. This form of inflation is very much preferred, by most economists, to others, such as turning on the printing presses, on account of the fact that, once turned on, they would be difficult to control or stop, with the result that that form of inflation might lead to wild speculation and might end in chaos. Changing the gold content should mean that commodity prices would be stabilized at new levels without any very great wild swings.

Canada's Position

Many authorities feel that if the United States changes the gold content, Great Britain will be almost sure to follow. In any event, it is not considered likely that Great Britain will return to the old par of $4.86 2/3 because, as a trading nation, it can hardly afford to have the pound sterling selling at a tremendous premium over the American dollar. Canada, it is felt, would probably try to follow sterling, but it is bound to be affected by the action of the United States, and its dollar would probably sell off in sympathy, at least temporarily.

If there is only a moderate change, the gold countries will probably endeavor to stay on their old basis, but, if the change is drastic, they might be forced off their present gold standard.

If the N. R. A. fails there may be a business setback and a stock market reaction in the time which intervenes before Mr. Roosevelt can put into action a "new play."

It is interesting to note some of the effects the changing of the gold content might have upon Canada.

1. In the gold industry: Gold is our second largest primary producer, being eclipsed only by agriculture and with forestry now in third place. If gold were revalued so that it were worth $41.30, as a result of the increased price of gold, the net profits of the mines would be so increased that the income of the Federal Government derived from the taxes imposed on the various mines would increase at least ten times over. For example, a small company which now pays around $48,000 in taxes to the Government, would pay, with gold at the new rate, over $500,000. This would mean a new source of revenue for the Government which would go quite a long way toward reducing the present deficit.

Effect of Taxation

There is always the possibility that the Government may take a portion of the profit which accrues to the mines from this source through increased taxation. This would probably have been done before now were it not for the fact that some of the low-grade mines are kept in operation largely on account of the premium they receive from the sale of their gold, and increased taxation might cause them to close down.

2. On industry: Canada, in addition to being very rich in natural resources, has developed industry and manufacturing to such an extent that she is producing infinitely more than can be consumed by our small population and has a large exportable surplus. Inflation from revaluation of gold would, of course, be a material stimulant to industry, with a definite benefit to the finances of the Federal and other governments, due to relief from the present donations to unemployment as well as to increased taxes from higher earning power.

3. On the bond business: Inflation, theoretically and practically, tends to detract from the value of fixed income securities such as bonds, unless steps are taken to offset this. The various leading countries of the world today have enormous public debts and, in consequence, every effort is being made to reduce the burden of interest charges on them through lower interest rates.

It is worthy of note that, in the face of the inflationary measures which have already been enforced and notwithstanding evidence that these efforts will probably be continued, bond prices in London and in many other countries have steadily advanced. In fact, in the last two weeks, in England, long term Canadian securities, payable in London, have advanced from one to two points, participating with the general advance in that market.

Furthermore, it is so important to the various nations of the world to reduce their interest charges that artificial means are being used to bring this about, all of which have counteracted the inflation operations. For example, in Canada bank interest rates were reduced from 3 to 2½ per cent and other rates correspondingly and, if necessary, it is felt that these rates will be reduced further to 2 per cent, so that the trend of bond prices for some time should be upward.

Public Utility Earnings

Brazilian Traction

August	1933 $	1932 $	Increase $
Gross earn.	2,527,084	2,330,367	196,717
Oper. exp.	1,116,172	1,024,378	91,794
Net earns.	1,410,912	1,305,989	104,923
Aggr. gross fr. Jan. 1	18,911,296	20,449,266	*1,537,968
Aggr. net fr. Jan. 1	10,379,678	11,847,726	*1,468,048

Owing to exchange and remittance difficulties the rate of exchange adopted for the month is necessarily arbitrary although less than the official rate which is nominal only.

* Decrease.

Mexico Tramways Group of Companies
Canadian Currency

Mexico Tramways & Subsidiaries: August	1933 $	1932 $	Decrease $
Gross earn.	220,834	235,229	14,395
Oper. and depr. exp.	302,146	327,894	25,748
Net earns.	*81,312	*92,665	†11,353
Aggr. gross fr. Jan. 1	1,877,778	1,974,511	96,733
Aggr. net fr. Jan. 1	*603,150	*578,342	24,808
Max. Light & Power & Subsidiaries:			
Gross earns.	720,442	737,473	17,031
Oper. and depr. exp.	437,704	453,490	15,786
Net earns.	282,738	283,983	1,245
Aggr. gross fr. Jan. 1	5,971,938	6,285,253	313,315
Aggr. net fr. Jan. 1	2,191,467	2,324,428	132,961

† Increase. * Deficit.

Three Provincial Securities at Attractive Prices

Province of Quebec 4¼% Bonds
Due August 1st, 1958
Price: 97.50 and interest, yielding 4.42%

Province of Ontario Gtd. 4½% Bonds
(Issue of Sandwich, Windsor and Amherstburg Railway)
Due June 1st, 1943.
Price: 98.38 and interest, yielding 4.70%

Province of British Columbia 5% Bonds
Due September 1st, 1953
Price: 93.50 and interest, yielding 5.54%

These issues offer attractive investment opportunities at the above prices.

Wood, Gundy & Company
Limited
Telephone *ELgin 4321*
36 King St. West *Toronto*

Montreal Stock Exchange Sets Minimum Margins

From Our Own Correspondent

MONTREAL.—The governing committee of the Montreal Stock Exchange has made known a new scale of minimum charges for accounts in the hands of members. The margins come into effect immediately with regard to new business and on November 1 on all accounts.

The new schedule adopted by the governing committee follows: stocks at $5 or under—cash; stocks over $5 and up to $20—5.; stocks over $20—25 per cent. On bonds and debentures the following margins are required: under $10—cash; over $10 and up to $25—5.; over $25—20 per cent.

Obituary

Joseph Newton Shenstone, 78-year-old chairman of the board of The Massey-Harris Co. died in Toronto on September 18. He had been 52 years with Massey-Harris Co., and predecessor companies, and was appointed chairman in 1925. Mr. Shenstone was also a director of Russell Motor Car Co.; The Cowan Co., Ltd.; The City Dairy Co., Ltd.; The Verity Plow Co., Brantford, vice-president of Canada Cycle and Motor Co.; director and chairman of the board of Otto Higel Co., Ltd., and president of the Massey-Harris Harvester Co., Inc., Batavia, N.Y.

BRITISH COLUMBIA POWER CORPORATION

LIMITED

and Subsidiaries

President: W. G. MURRIN
Vice-Presidents:
A. T. GOWARD E. H. ADAMS J. I. NEWELL

DIRECTORS:

Hon. Sir F. S. BARNARD, K.C.M.G. C. E. CALDER JOHN DAVIDSON
S. GODIN, Jr. A. T. GOWARD J. H. GUNDY ANDREW P. HOLT
Sir HERBERT HOLT GEORGE KIDD W. G. MURRIN A. J. NESBITT
Rt. Hon. Viscount ROTHERMERE P. A. THOMSON W. J. BLAKE WILSON
J. B. WOODYATT

Secretary: E. ROGERS *Treasurer*: E. H. ADAMS

CONSOLIDATED BALANCE SHEET

as at June 30th, 1933

ASSETS

Current and Working Assets:		
Cash at Bank and at Call	$2,179,179.00	
Accounts Receivable	1,484,940.49	
Insurance Unexpired and Prepaid Items	194,036.03	
Employees' Housing Loans, Mortgages, etc.	503,184.82	
Stores, Materials and Supplies	1,745,138.42	
	$6,106,478.76	
Investments at Book Value (market value at June 30, 1933, $1,196,882.75)	1,440,319.75	
		$7,546,798.51
Bond Discount—Balance		331,034.00
Property Account:		
Balance as at June 30, 1932, and additions during year		137,682,197.15
		$145,560,029.66

LIABILITIES

Current and Accrued Liabilities:		
Accounts Payable, including Reserve for Income Taxes	$1,904,176.39	
Debenture and Bond Interest accrued	503,531.05	
Dividends declared, since paid	749,600.00	
		$3,157,307.44
Bonded Debt		38,849,091.27
Capital Stocks of Subsidiary Companies held by Public:		
British Columbia Electric Railway Co. Ltd.— 5% Cumulative Perpetual Preference Stock	$6,984,000.00	
British Columbia Electric Power & Gas Co. Ltd.— 6% Cumulative Preference Shares	5,000,000.00	
Minority Shareholders of Subsidiary Companies	3,446.25	
		11,987,446.25
Reserves:		
Depreciation and Renewals	$23,834,504.43	
General and Accident	1,356,655.17	
		25,191,159.60
Capital Stock and Surpluses (as per statement attached)		66,375,025.10
Represented by— 1,000,000 Class A Shares and 1,000,000 Class B Shares, part of an authorised issue of 1,500,000 Class A Shares and 1,500,000 Class B Shares, both classes without nominal or par value.		
		$145,560,029.66

Approved on behalf of the Board: W. G. MURRIN, Director.
W. J. BLAKE WILSON, Director.

AUDITORS' CERTIFICATE

Audited and Certified in accordance with our report dated August 15, 1933.

PRICE, WATERHOUSE & CO.,
Chartered Accountants.

CAPITAL STOCK AND CONSOLIDATED SURPLUS AND PROFIT AND LOSS ACCOUNT

as at June 30th, 1933

Capital Stock and Surpluses:				
Balance as at June 30, 1932				$65,365,764.59
Profit and Loss Account:				
Balance as at June 30, 1932			$1,472,112.92	
Year Ended June 30, 1933—				
Gross Revenue		$12,825,554.59		
Less—				
Operating Expenses, including Municipal Taxes	$6,478,048.77			
Provision for Depreciation and Renewals	1,827,104.17			
Provision for Income Taxes	484,135.35			
		8,789,288.29		
Net Revenue		$4,036,266.30		
Deduct—				
Interest on Bonded Debt, proportion of Bond Discount written off and Dividends on Preference Stocks of Subsidiary Companies		2,499,118.71		
			1,537,147.59	
			$3,009,260.51	
Deduct—				
Dividends on Class A Shares for the year ended June 30, 1933			2,000,000.00	
				1,009,260.51
Balance carried forward				$66,375,025.10

News of Investment Markets

MARKET WEAKER FOR ALL CLASSES CANADIAN BONDS

Western Issues Steady; Hamilton Refuses All Tenders

Weakness continued in the market for Canadian government, municipal and corporation bonds in the week ended Sept. 26. High grade government and municipal issues ended the week at approximately the levels of early August, during which month a substantial rise in prices occurred.

Western provincial issues showed strength in the face of declining prices for what are regarded as higher grade securities. In a number of instances prices were maintained even with the previous week, near the best levels of the year. August business activity in the west showed a substantial improvement, as charts on page 7 indicate.

Losses outnumbered gains among corporation liens. Utilities were almost uniformly lower for the second successive week.

Increasing yields on gilt-edged Canadian bonds indicate the decline of the market as follows:

Average Yield on Seven High-Grade Canadian Bonds

	%		%
Sept 26 ...	4.454	Sept. 11 ...	4.386
Sept. 25 ...	4.453	Sept. 1 ...	4.364
Sept. 23 ...	4.444	Aug. 1 ...	4,406
Sept. 22 ...	4.444	Aug. 15 ...	4.447
Sept. 21 ...	4.441	July 15 ...	4.483
Sept. 20 ...	4.427	June 30 ...	4.506
Sept. 19 ...	4.397	June 15 ...	4.484
Sept. 18 ...	4.381	June 1 ...	4.467

Selling from the United States is not accounted the reason for weakness of bonds. It is contended in some quarters that there has been some buying of Canadian bonds from that country by Americans who fear Washington's monetary policies. There was definite pressure on Canadian bonds when our dollar first neared par two weeks ago, but this is said to have dried up. The current decline comes at an inopportune time since the Dominion's conversion loan is due at an early date.

Among municipal issues a feature of the week was announcement by the township of York, bordering Toronto, that it would have difficulty meeting a principal payment of $400,000 on Oct. 1. The township has funded debt of about $18,000,000 and has a population of some 68,000.

Hamilton Refuses Bids

City of Hamilton, Ont., called for tenders this week on $253,521 of five per cent debentures maturing serially from 1934 to 1943. None of the tenders submitted was accepted. The city, it is understood, will offer the bonds to local investors over the counter on a basis to yield about 4.75 per cent. This indicates a price of about 100.9.

Bids on the Hamilton issue were as follows:

Bids on Hamilton 5's

Fry, Mills, Spence & Co.	100.271
Dominion Securities Corp.	100.27
Griffis, Fairclough & N.	100.14
J. L. Graham & Co.	100.089
Gairdner & Co.	100.08
Nesbitt, Thomson & Co.	99.46

McLeod, Young, Weir & Co. bid 100.67 for the issue, and this would probably have been accepted, it is said, but the bid was too late. The cost basis to the city on the basis of the Fry, Mills, Spence & Co. bid was 4.94 per cent.

CANADA BREAD CO. EARNINGS LOWER AS PRICES DOWN

New Taxes Exceeding $100,000 Caused Dividend Stoppage

Though Canada Bread Co. production held up very well in the year ended June 30, 1933, net earnings dropped materially because of the prevailing low price per loaf of bread throughout its territory. Net operating earnings were only $257,182 after bond interest as compared with $451,763 in the preceding year. After depreciation written off on a larger scale than the preceding year, income taxes and write-off for doubtful accounts, there was a small deficit of $3,086 as compared with a net profit of $196,231 available for dividends in the year ended June 30, 1932. The company paid $100,000 in dividends during the year, however, although the preferred dividends have since been dropped for the time being.

INCOME AND SURPLUS ACCOUNT, YEARS ENDED JUNE 30

	1933 $	1932 $
Net earnings*	257,182	451,763
Add: Int. on invests.	9,194	22,876
Int. on adv. to sub.	22,326	......
	288,702	474,639
Less: Depreciation ..	238,788	213,408
Income tax	28,000	30,000
Doubtful accounts .	30,000	......
Accts. rec. res. ..	......	35,000
Net profit	†3,086	196,231
Less appropriations:		
1st pref. dividends .	87,500	87,500
Cl. "B" pref. divds	12,500	37,500
Surplus for year	†103,086	71,231
Add: Prev. surp.	1,642,981	1,821,750
Less: Transf. to res. for deprec. in value of invests. and advs. to subs. company ..	......	250,000
Bal. carried forward .	1,539,895	1,642,981

† Deficit. * Less bond interest.

Tax Displaces Dividends

In the report to shareholders Henry F. Gooderham, president, states that the management of the company is endeavoring at the present time, through a spirit of co-operation in the industry, to obtain what will be "a fair price both to producer and consumer."

Heavy taxation is making the burden of the low price harder to carry. Mr. Gooderham states that the sales tax of 6 per cent on cake, rolls and sweet goods along with the tax of two cents a pound on sugar alone amounted to more than $100,000 in the last year, that is, to more than the dividend that was paid and which now has to be passed. The Dominion Government therefore has taken away the dividends from the first preferred stock and this does not include the income taxes.

In spite of the lower returns for the product, the company maintained its plants in excellent condition, increased somewhat the depreciation allowance and expanded its effort. It is now baking bread at Guelph, Cornwall and Kingston.

On account of paying $100,000 dividends unearned, working capital is down.

Working Capital

	1933 $	1932 $
Current assets	545,492	630,304
Current liabilities ...	313,323	298,427
Working capital	232,169	331,877
Ratio	1.74—1	2.11—1

Securities Appreciated

This result does not take into account a contingent liability of $232,000 on account of guarantee of advances by bankers to an unnamed subsidiary. There is also among the assets an item of $531,472 shown as "investments in and advances to subsidiary company, including interest accrued to June 30, 1933, (book value $293,300)" and against it is shown a reserve of $275,000 for "depreciation in value of investments and advances to subsidiary."

Cash is down from $177,289 to $139,021, accounts receivable from $247,626 to $215,500, less reserve of $45,000 for doubtful accounts, and inventories from $94,982 to $80,564. Marketable securities are still shown at $110,408, cost price, but market value went up in the year from $72,410 to $93,475. Of current liabilities accounts payable advanced from $227,559 to $236,491 (including provision for Dominion and provincial taxes), and other smaller items showed an increase to about $77,000.

Funded debt remained the same at $987,300.

Investment Notes

Canada Northern

THE marked improvement in operations and earnings of Canada Northern Power Co. since the beginning of the current fiscal year, has led to a growing opinion that before long the directors will increase the dividend on the common stock from 80 cents to possibly $1 a share. The greater activity in the Northern Ontario and Northern Quebec mining areas has added to the company's power load and, from present indications, earnings this year are likely to set up a new mark.

* * *

Canadian Celanese

MARKET opinion of the company's plan to clean up the arrears of dividends on the preferred shares showed all too clearly in trading the day (Tuesday) following the announcement. Value of the common stock dropped from 26⅛ at the close on Monday to 24⅞ on Tuesday, a loss of 1⅝. The bid price on the preferred dropped back to 102 as compared with the last board lot sale at 110. Sales were put through at intermediate points on less than board lots. This plan of giving $1.62 in cash and ½ share of common in exchange for $27.75 of arrears is meeting with little favor on St. James Street.

* * *

Building Products in Good Shape

BUILDING PRODUCTS, which manufactures asphalt shingles, roll roofing, roofing felt, wallboard, solid fibre shipping cases, waterproof paints and cements and allied building products, is understood to have had improved business recently in Ontario, Quebec and the Maritime Provinces. It has only about 7 per cent of its total business normally in Western Canada, and therefore has largely avoided some of the troubles met by companies which did a large part of their total business there. More information as to its situation is given in the Pulp and Paper supplement in this issue.

Investors are paying considerable attention to this stock now, not overlooking the fact that the last statement showed more than $10 a share available in cash and Dominion of Canada bonds alone. In a stock selling for less than $17, or little more than the working capital of the company, present prices are attractive to people who are trying to get into equities to avoid any inflation of prices which may occur. Actual turnover of shares has not been great as present holders hang on to their stocks but enquiry is reported active.

* * *

Dominion Stores Stock Bought

WHEN the Canadian dollar approached within a cent of par value in New York City it developed quite a considerable business in New York holdings of Canadian companies. Dominion Stores especially drew attention of investors who have been quietly accumulating stocks of companies without bonded or banking indebtedness and with a good record of earnings. The recent report of increase for the last three months in sales, together with the report that 54 stores have been closed, has added interest. It is felt that shutting of non-profit stores is a good feature and this company with its policy of taking only annual leases has kept its rental expenses in line with conditions.

* * *

Canadian Dredge Liquids

CANADIAN DREDGE, which paid $1 a share last February consider the question of further dividends shortly. The last annual statement did not show the current assets sufficiently liquid for such a payment but business has been good and The Financial Post understands from good authority that the bank loans noted at the end of the last fiscal year, have been entirely paid and that there is now a good balance in favor of the company at the bank, probably more than $100,000. It also has large amounts owed by the Dominion Government.

Canadian Dredge recently obtained and paid for a dry dock at Kingston which will be very useful in case the St. Lawrence Waterways plan is eventually started.

The stock which is now selling at about 18½ once sold above 90. There are no bond issues and less than $83,400 outstanding in 7 per cent preferred stock.

It is understood that the outstanding preferred stock has not been converted into common stock because it is held by an estate which would have to go into trustee securities if this were disposed of.

The company's dividend history from 1906 when Canadian Dredging Co. was formed, and including the Dominion incorporation in 1927, has been excellent. For 25 years of this period dividends have been paid, it is the leading company in its line in Canada and apparently well established to get a good share of whatever dredging business is going in Canada. It is estimated by one investor that Canadian Dredge's dredges alone are worth more than the market now values the common stock at. The long distance possibilities of Canadian Dredge therefore prove attractive at present as well as the possibility of dividends soon.

* * *

Photo-Engravers Closely Held

FEW transactions are noted at the moment in Photo-Engravers. There is a bid of 15 which would give a market valuation of $450,000 for the 30,000 shares outstanding. It is understood that a few years ago the company paid $200,000 more than this amount for new machinery alone. One reason for inactivity of shares is the working capital deficiency of $151,518.

The company earned $2.19 a share in the year ended February 28, 1933. The increase in mail order business of the Robert Simpson Co. should be of value to Photo-Engravers as 40 per cent of its total volume is provided by Simpson's. It is understood that to date earnings have been fully up to last year. The company is 27 years old and has had an excellent record of growth and earnings in the greater part of that period. The company had a bank loan of $250,000 at the end of its fiscal year.

* * *

Riverside Silk Mills Busy

PLANT at Galt, Ont., of Riverside Silk Mills, is reported to have been fully employed for months. It is paying on common at the rate of $1 a share, formerly $2 a share, and common is cumulative at $2. It is a well-managed concern, has a good working capital position, and its present activity is being studied by investors.

* * *

Monarch Knitting Active

REPORTS that Monarch Knitting Co. is doing a good volume of business at present renews interest among preferred shareholders in its situation. Bank loans, shown at $267,325 at the end of 1932, are now the lowest for many years and the rate of profit to be shown in next statement will be awaited with great interest by holders of Monarch Knitting preferred, because it has nearly 50 per cent in deferred dividends and the last sale was at 49.

There are no bonds before the $750,000 preferred stock. Its former losses were due mainly to the Buffalo venture. About one million dollars was dropped there but that is in the past and interests close to the company feel that the position is greatly improved so far as Canada is concerned. It is reported that recent offers at the last sales price brought no stock.

* * *

Canada Bread Loaf Drops 1c

CANADA BREAD CO. annual report for the year ended June 30, 1933, as expected, showed dividends paid during the year not earned after full depreciation, and working capital was lower in consequence.

With the payment of $1.75 a share on first preferred stock on August 15 the company cleared off all arrears of dividend to date but the dividend expected for October 1 has not been declared. The reason is regarded as a reflex of the drop in bread prices. The company, to meet increasing competition in its field for the last three years, has sold three grades of bread in recent years in some sections. The second quality was raised from 8 to 9 cents a loaf in Toronto as the cut-rate practices which had brought demoralization to a large section of the industry and made profit impossible were believed to have been ended. The optimism was premature as the second-grade bread has now gone back to 8 cents a loaf. The first grade, which is the company's leading line, still sells at 10 cents a loaf.

The situation still is somewhat better than early in the year. At the outset of the year chain stores were selling bread for as low as 6 cents a loaf as an attraction to customers. They have raised prices to 7 cents and then to 8 cents and thus relieved pressure somewhat on the industry. Two or three weeks ago they dropped back to 7 cents a loaf. It is probable that until the situation irons itself out, dividends on preferred stock from quarter to quarter may be somewhat uncertain.

Bond Sales

New Liskeard

The town of New Liskeard, Ont., has sold $31,797 of six per cent, 10-installment debentures to local investors.

New Westminster

City of New Westminster, B.C., has sold $50,000 of six per cent, 10-year debentures to local investors.

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Calgary Brewing	§5%	1942	Nov. 1	105
Northern Electric	*5%	1939	Dec. 1	105

§Purchase of bonds for sinking fund $10,900.

*$190,100 redemption for sinking fund.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
New Liskeard, Ont.	Sept.	Locally	6%	10-ins.	$31,796	.....	.....
New Westminster, B.C.	Sept.	Locally	6%	10-yr.	50,000	.....	.....

DOM. WOOLLENS LOSS REDUCED SURPLUS SHOWN

Change in Capitalization Wipes Out Preferred Stock

Reporting a slow but steady progress during the past year ended June 30, A. O. Dawson, president of Dominion Woollens & Worsteds Ltd., presented the annual statement at the annual meeting held recently which gave effect to the change in capitalization of the company and showed reduction in loss. In the year ended June 30, 1933, the company had a net loss of $117,944 after provision for bond interest which was not paid and this compares with loss of $179,472 in the previous year.

As a result of capital adjustments the deficit of $924,294 shown at June 30, 1932, has been changed into a surplus of $627,520. Income and surplus account is as follows:

INCOME ACCOUNT Years Ended June 30

	1933 $	1932 $
Operating profit	......	185,825
Add: Other income ..	......	......
Net earnings	*117,944	185,825
Less: Depreciation ...	175,368	††
Bank interest	......	......
Other interest	......	......
Bond interest	......	127,743
U. S. exch. on bond interest	......	23,189
Provision for bad debts	......	15,730
Inventory adjust.§ ..	......	198,635
Net profit†	*293,312	*179,472
Add: Prev. surplus ..	*924,294	*744,822
Capital adjustment ..	1,845,126	......
Balance forward	627,530	*924,294

*Deficit or loss.

†Available for dividends and income tax.

§Due to deprec. in values during the year.

††No provision made for depreciation.

*Loss after providing for bond interest (payment of which has been deferred) and all expenses and bad debts.

Working capital is lower but ratio of current assets to current liabilities is slightly higher. Cash is shown at $18,491; accounts receivable are down to $236,170 from $323,972 and inventories to $921,432 from $983,095. Bank loan, secured, has been reduced to $316,000 from $468,000; accounts payable are up to $190,519 from $124,010; accrued liabilities are up to $38,142 from $25,820. Working capital position is as follows:

WORKING CAPITAL

Current assets	1,171,098	1,317,681
Current liabilities ...	547,201	629,503
Working capital	623,892	688,178
Ratio	2.14—1	2.09—1

Remaining balance sheet figures are not comparable with figures shown in preceding years. Fixed assets are down to $3,107,686 from $4,463,778 as a result of adjustment of depreciation reserve to the amount of $466,423 and transfer to property reserve of $580,088. Funded debt remains at $2,117,000 and there is a deferred liability of $137,605 on account of bond interest in arrears. Preferred stock, previously carried at $1,500,000 has been wiped out and book value of the common stock is up to $855,850 from $600,000. There are 85,585 shares of common outstanding. Surplus of $1,641,872 which had been carried since formation of the company in 1928 has been wiped out while operating surplus is shown at $627,520 as compared with operating deficit of $924,294 shown in 1932.

Note:—See page 2 for information as to how a complete analysis of this company can be obtained.

Bond Tenders

Oct. 16, City of Hull, Que.—$115,500, 5 per cent coupon bonds, dated May 1, 1933; $18,000 payable serially from May 1, 1934, to May 1, 1942 and $97,500 payable May 1, 1943.

5 p.m., Oct. 3, Buckingham, P.Q.—$20,600, 5 per cent bonds dated Nov. 1, 1933, redeemable serially from Nov. 1, 1934 to Nov. 1, 1963, to reimburse general fund for moneys spent on public works. H. J. Gorman, sec.-treas.

5 p.m., Oct. 2, Twp. of Esquimalt—$30,000, 6 per cent 10-year bonds, dated May 31, 1933. G. H. Pullen.

Canada Packers Arrears on Preferred Reduced

Canada Packers, Ltd., which three months ago started to pay dividends at the rate of $1.75 for the quarter and $1.75 on account of arrears, has again declared $1.75 for the current quarter with an additional $3.50 a share on account of arrears.

The new distribution is to be made in October and will reduce the arrears of $10.50 a share, which obtained a few months ago by half. The company then made announcement of a decision to spend some of its liquid assets in reduction of arrears. There now remains only $5.25 a share to clear off.

Echo Bay Exploration Co. Absorbs Manor Gold Mines

Echo Bay Exploration Co. has added a gold property to its holdings in the Great Bear Lake area and at a special meeting of shareholders of Manor Gold Mines, held in Hamilton on September 22, a proposal was approved to sell its assets to the Echo Bay Exploration Co. through an exchange of stock. For each ten shares of Manor Gold Mines held one share of Echo Bay will be issued.

W. Yates, of the Yates Construction Co.; S. Somerville and J. Riffer, of St. Catharines, former Manor directors, have been added to the Echo Bay board. The company's property is in Skea township, Ontario, where a shaft has been sunk to a depth of 500 ft., and some 2,000 ft. of lateral work done. No work has been done at the property since 1928 owing to lack of finances.

Old Gold Property Given Further Chance

At the Quesnell Quartz Mining Co. property, better known as the Senator Reid Mines, 43 miles north of Quesnell, B.C., on the main highway to Prince George, the dewatering of the shaft is under way preparatory to exploring further this old property. During former operations years ago, it is said recovery was low and production costs high, which made profitable operations impossible. The new company is building complete camp facilities and if re-sampling confirms the grade of ore treated in earlier operations a mill is to be constructed.

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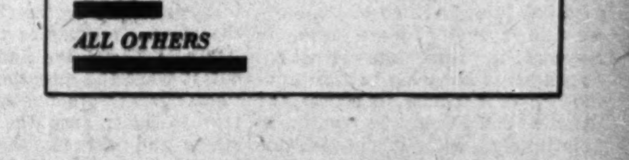
LEADS IN SALES

This chart shows McLaughlin-Buick's leadership in sales in its price class over all other eights. Five times as many McLaughlin-Buicks are sold as any other eight in this field.



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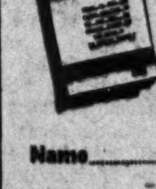

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TORONTO, SEPTEMBER 30, 1933

HASTILY CONCEIVED LEGISLATION

THERE is a very definite Canadian interest in the new United States Securities Act of 1933. Already the agitation has been widespread to give to Canada a federal securities law on a similar basis. Canadian investors have been immediately affected by many of the provisions of the new U. S. law. For several weeks now The Financial Post has been publishing a series of articles analyzing the new American Securities Act. One purpose has been to make its provisions clear to those who must be affected by the act, such as Canadian investment bankers selling securities in the United States, and Canadian investors buying new American securities. A larger purpose has been kept in mind though of sifting the wheat of sound judgment from the chaff of over-enthusiasm in the legislation in order that Canada may be able to adapt, if it wishes, anything useful from the new act and avoid the grave errors that have been made.

A serious feature of the new Securities Act is that it has brought new financing of legitimate enterprises in the United States practically to a standstill. The only securities that have been sold since the act came into force have been investment trusts, representing merely a shifting of ownership of outstanding stock certificates, and completely new companies, notably in the brewery field which have less difficulty complying with the law than old-established firms.

The American Securities Act will certainly have to be revised radically. In attempting to give protection to the investor a useful and necessary objective, Congress has gone far beyond its original purpose and tied the securities selling business into knots.

The strength and weaknesses of the new act have been ably demonstrated in The Financial Post series of articles which conclude this week.

QUEBEC'S DEFICIT

PROVINCE of Quebec has incurred its second successive deficit. The 1933 shortage of revenue was $6,840,907 and the 1932 deficit was $584,708, a total for the two periods of $7,425,615. On the other hand, however, the province had surpluses of nearly $33,000,000 in the 26 successive fiscal years ended in 1931. In addition the province included $4,000,000 in ordinary revenue during the 1920's which was used to retire public debt. Thus the province was nearly $37,000,000 "ahead of the game" for the 28-year period against the last two years' deficits of $7,425,615.

A well-known Canadian bond house recently stated that there is a growing feeling that governments should incur deficits during depression periods, rather than reduce expenditures. But if surpluses have not been accumulated in earlier periods, governments cannot properly follow such a policy in practice. The case of Quebec clearly indicates the difference between a province which has kept within its means in the past and those which have not.

While The Financial Post has campaigned for years against government deficits, Quebec can fairly be said to have been in a better position to incur those of 1932 and 1933 than any other province. In this period of depression, the province has been justified to some extent in spending more than its revenue to meet the situation. Credit must be given to the province where it is due. Of course, the deficits could not be continued indefinitely without undesirable results.

One feature of Quebec's finances which makes it necessary to qualify approval of the two deficits, is that debt and taxation have increased much faster than population. Something must be allowed for increased wealth, but on the whole Quebec has not kept its expenditures and taxation in line.

Although Quebec's record is not perfect, it is good enough to make it worthy of the envy of every other province. If the object lesson is heeded by other provincial governments, they too may some day be able to incur depression deficits with comparative equanimity. In such event the inspiration would be greatly to the credit of the ancient province.

FINANCING MUNICIPALITIES INTO DEFAULT

DEFAULTING municipalities have in most cases reached insolvency through excessive borrowing. The responsibility for this does not rest on any one group. But bankers have an important public responsibility in granting credit to municipalities.

In some instances banks have only refused credit to financially embarrassed municipalities after the damage has been done. Banks should be in a position to assess the borrower's capacity to pay long before default becomes inevitable. It is, for instance, possible for a bank to determine by records of tax collections whether a loan against capital outlay can be financed by the municipality through its receipts from ratepayers. If a bank lends money for improvements which tax collection records show to be too heavy for the taxpayers, serious encouragement of extravagance has been given.

The same applies to bank loans made against uncollected tax arrears. The sooner bank credit is refused to finance tax arrears, the earlier the municipality will realize the unsoundness of spending money which it cannot collect.

Banks render a useful service, of course, in lending to municipalities against anticipation of tax collections. Sometimes such a bank loan to a municipality becomes more or less permanent, if the collections do not meet with anticipations and do not suffice to pay the loan before the following year's financing is arranged. Thus, a seemingly proper loan becomes a dangerous one, particularly to the municipal finances. It is at this point that banks should shut down on further extensions of credit, or should lend less against the next year's tax anticipations.

Municipal councils are inclined to abuse banks when credit is refused. Also banks run the risk of losing the municipal account to a competitor, if too stringent measures are taken to prevent overborrowing. Nevertheless banks should be able to co-operate to keep municipalities from the brink of default. The interests of the citizens and bondholders of a municipality should not be overlooked to escape uninformed criticism or to increase bank earnings.

Another necessary control against overborrowing would be through investment bankers. If bonds are sold on an unsound basis, to an extent which is too heavy for the municipality, investment bankers cannot shirk part of the responsibility. The investor too often has no yardstick by which he can appraise a municipal bond, and banks and investment bankers are in a position to know when unsound loans are being made.

SO THIS IS ECONOMY

THE former pension board consisted of three members and there were nine members of the travelling tribunals. Ottawa decided that a gesture of economy was in order. It passed legislation to scrap this expensive and unwieldy collection of pensions judges and to substitute one commission of not less than eight and not more than twelve members.

Three and nine makes twelve. If, as is expected, the full complement of the new commission is appointed, no one will need to lose a job.

But where is the economy?

EXORBITANT SPREAD ON MINING SHARES

TWO flagrant cases of financial groups in Great Britain selling shares in Canadian mining promotions at prices highly inflated over the option or cost price suggest that mining companies should exercise some degree of control over their fiscal agents if they are not prepared to suffer from the inevitable repercussions when the details leak out.

Recently the Waterloo Gold Mines, in British Columbia, gave options for a million shares at eight and ten cents per share, and these were recently being sold in Great Britain at the equivalent of about $5.50 per share, or at a profit—somewhere along the line—between 5,000 and 7,000 per cent over the option price. Shares of Amalgamated Goldfields Corp., headed by H. C. Crow, of Toronto, are being sold in Great Britain at the equivalent of $5.25 each, although these had been optioned at an average price of 11½ cents per share. This gives somebody a spread of about 4,500 per cent.

When such spreads between the cost and selling prices of shares have been brought to the attention of the companies they have said that they had no knowledge of the actions of their fiscal agents; but the racket cannot be dismissed in such a light manner. The responsibility is clearly on the shoulders of the mining companies themselves. They may not have known at the outset what the intentions of their fiscal agents were, but they are certain to learn once the campaign starts and then is the time for immediate action if they themselves are not to be parties to the campaign.

The Ontario Securities Act seeks to exercise some measure of control over the sale of shares to the public when it limits the permissible commission to 25 per cent of the sale price. This commission is regarded as about right for floating mining securities of unproven merit and would safeguard the public if the limit were not so easily evaded. Promoters who find 25 per cent an inadequate return for their efforts to raise money simply buy a block of stock outright or get it under option. When the shares become their property they sell them at the best price they can get. When this spread is the legitimate selling cost it can be excused as being necessary in order to raise funds at all, but when the option is used as a racket to get ridiculous and extravagant profits it is time for directors of mining companies, possessing any semblance of sincerity toward the public, to curb the practice.

THE TIMES LOOKS OVER AT THE C. C. F.

THE London Times has an interesting survey of the rise of the C. C. F. in Canada. The Times makes no pretense that the C. C. F. is anything but a Socialist party and wonders why it has not accepted the title of Socialism for its objective. Yet the Times' correspondent believes that if the C. C. F. ever obtained a majority and formed a government it would have great difficulty in putting its programme into effect.

While its intellectual and its urban members are mostly convinced Socialists, the agrarian element, to whom it looks for a large part of its voting strength, has not abandoned the pioneer's faith in rugged individualism. So the agricultural part of the C. C. F. programme had to be framed on lines which respected these individualist prejudices. If the C. C. F. did come into power the agrarian element would proceed to put a brake upon Socialist legislation.

Another weakness in the position of the new party, as seen by the Times, is its almost complete failure to obtain any foothold among the French Canadians.

The Times attempts no estimate of the chances of political success for the C. C. F., contenting itself with the statement that some political prophets believe that the party has a reasonable prospect of holding the balance of power in a federal parliament. Unless there is a revival of economic prosperity before the next election the C. C. F. will capture, according to the Times, a substantial number of seats in the Prairie Provinces.

UNFAIR COMPETITION

LEADING Canadian insurance companies are in process of raising their rates to buyers of annuities. The reasons are that the companies find people are living longer on the average, particularly annuitants, and that the rate of interest on which the payments have been calculated in the past has been too high. Actuaries for the companies have, therefore, revised annuity prices upward.

The Dominion Government, on the other hand, is apparently making no changes in its already low annuity rates. Ottawa has not seen fit to change the general basis since the Dominion started to sell annuities, except for a reduction of the interest allowed in calculating deferred annuities.

Government annuities are already providing unfair competition for life insurance companies because the Dominion does not make allowance for administration expenses in its calculations. By neglecting to revise rates from time to time the Government goes further in its failure to recognize sound actuarial practice. This unbusinesslike attitude costs the taxpayer money unnecessarily. It is one of the concealed drains on the national exchequer.

Insurance companies, who represent myriads of policyholders, are heavy taxpayers. A portion of these taxes is being contributed to the Dominion to pay for issue of Government annuities on an unsound basis. Thus, the insurance companies are unavoidably placed in the position of aiding the Government to furnish unfair and unsound competition for themselves in the annuity field.

The Government should at least keep abreast of new actuarial calculations by life insurance companies in connection with the issue of annuities. And the practice of omitting administration expenses as part of the cost of disbursing Government annuities should cease.

EDITORIAL NOTES

When they get tired of N. R. A. someone will have to find a "code rebedy."

* * *

Maybe one reason President Roosevelt seems less panicky these days is that the U. S. Congress is not in session.

* * *

The point about the New York Stock Exchange moving over to the Jersey side is that now the brokers are to get bitten.

* * *

President Roosevelt, because of a cold accompanied by a slight temperature, cancelled all engagements with inflationists. Possibly his medical advisers feared that under inflation his cold might develop into newmoneyia.

* * *

A Labour-Socialist at Hamilton said Canada must either adopt the Blue Eagle or be ruled by the Red Eagle. Why not stick by the beaver which stands for industry, which minds its own business, which is essentially individualist.

* * *

The Soviet committee that is putting up memorial bronzes on all the houses in which Lenin lived in Leningrad has found over 100 houses to decorate. Apparently Communists too believe that it is cheaper to move than to pay rent.

* * *

President Roosevelt is obviously veering to the right. One by one the more radical brain trusters are likely to fall by the wayside. There is more resistance to both Socialism and Fascism in the United States than there appeared to be in those panicky days of March last.

POST-scripts

CANADIAN AVIATION, Toronto, contends that the public mind is really more interested in determining how to participate in everyday, commonplace use of air transportation than in following from the side lines the fortunes or misfortunes of an increasing number of notoriety seekers.

We feel that Canadian Aviation is on solid ground when it urges more attention to flying and less to stunts. But why should it criticise the daily press for "persisting in scare-heading every possible bit of flying news." According to Canadian Aviation, all the accidents in aviation are overplayed by the papers and thus create misapprehensions in the public mind about flying.

The daily press do not scare-head flying any more than they do any other subject in which there is public interest. The real disservice to flying is being done by the airplane manufacturers, the oil and gasoline refiners and the tire companies who hire well-known pilots to undertake dangerous attempts at new records of various kinds, who expose these pilots to the hazards involved in such long-shot competitions. Only a limited proportion of these stunts can be successful. Many accidents and fatalities must result. The newspapers are justified in treating these accidents as news. But when an accident creates public nervousness about flying, the blame should be placed where it belongs.

IT TAKES courage to refrain from flying the Blue Eagle in the United States. Yet some business concerns across the border who do not believe in the quasi-Socialism of the National Recovery Act refuse to be so hypocritical as to display the NRA emblem.

The Econostat, a very interesting weekly business magazine, published in New York, recently explained why it does not intend to display the Blue Eagle. It points out that the NRA programme speedily exceeded its original wholesome objectives and acquired a maudlin patriotic quality which is neither compatible with nor creditable to the programme. It refuses to give a blind loyalty to an untested theory and it objects to the precipitate regimentation of business. It points out that compulsory unionization of industry has no relation to the programme of recovery and that no satisfactory explanation of this excrescence upon the curative formula of the government has been offered.

The Blue Eagle is part of the method of the NRA and stands for such things as incitement to boycott and the ugly yellow flare of intolerance, the Econostat believes. Since it is not the essential object of the NRA, the paper refrains from using it on its front cover. "We want the Econostat read for its contents and its merit—not because it displays a symbol." So concludes the editor.

This is independence of an interesting sort and we doubt not that in the long run the Econostat will gain more from its courage than it could have gained from submission through a false sense of patriotism.

Sayings of the Week

"The German affair is a rebellion of a clumsy bout against civilization."—*H. G. Wells.*

* * *

"The public is always the beneficiary of a policy of clear publicity."—*Bayard Pope, New York banker.*

* * *

"The Americans seem to regard taking alcohol as a crime, homicide as a peccadillo."—*Dean Inge.*

* * *

"Mathematicians refuse to be bound by what usually passes for common sense."—*Prof. Willem de Sither.*

* * *

"In some countries the orgies of an NRA put through PDQ might end in T. N. T."—*U. S. Representative Schall.*

* * *

"Adolf Hitler has done more for peace in Europe than a dozen disarmament conferences."—*Issac F. Marcosson.*

* * *

"Get away from names; get away from playing with ideas instead of the facts that are behind ideas."—*Professor Raymond Moley.*

* * *

"There is no royal road to lower taxes. The only way to really lower taxes is to spend less money."—*Governor Albert C. Ritchie of Maryland.*

* * *

"Too many of us are so concerned with our profit sheets that we can't see our customers."—*Paul Hollister, executive vice-president, R. H. Macy & Co., New York.*

* * *

"Superlatives have been so outworn in movie advertising that it is no longer possible to distinguish between an Arliss and a wild west picture."—*Dr. Rex. G. Tugwell, of the Roosevelt brain trust.*

* * *

"If you keep your product down to the average taste you never extend your market. But raise the taste and a whole new market for a whole new product is born."—*Walter Russell, President, Society of Arts and Sciences, N.Y.*

* * *

"It would be a great disaster to Canada if you expect too much of a central bank in the way of credit control in the early days of its history."—*Professor T. E. Gregory, Dean of the Faculty of Economics of the University of London.*

* * *

"The banker is not the socialist's adversary. The capitalistic system has been busy not at the sinister task of throwing men out of work but at putting them at work and getting them out of poverty."—*Rev. Dr. R. P. Bowles, Chancellor Emeritus of Victoria University, Toronto.*

"Stop Me If You Have Heard This One"

A man was a witness in a hog-stealing case. He seemed to be stretching a point or two in favor of the accused, and the prosecuting attorney roared:

"Do you know the nature of an oath?"

"Sure."

"Do you know you are not to bear false witness against your neighbor?"

"I'm not bearin' false witness agin him, I'm bearin' false witness for him."

Germany Delays Inflation Despite Earlier Nazi Hints

Dozens of Economic Programmes Projected in Pre-Hitler Period Have Been Sidetracked Since Power Assumed

By DR. MELCHIOR PALYI

Dr. Palyi, who writes this article is a well-known European economist. A Hungarian, he is economic counsellor for the Deutsche Bank but is now located in London. The Financial Post has arranged with him to do several articles giving the European viewpoint on subjects of interest to Canadian business men.

In the ten years of the Nazi movement, before they came into power, literally dozens of programmes of economic policy were produced. The programmes changed from the one to the other very substantially; some main points, however, recurred, depending on the group or class the Nazi addressed. For the peasants, protection against imports, allocation of land for settlement, and, of course, the abolition of debts were stressed. For the middle class followers, shopkeepers and small artisans, the abolition of the competition of big stores was often promised. To please the masses of unemployed, creation of work at large was the most important slogan; and for everybody, banks and "usurers" were the goal of the Nazi's promise of "freedom from the interest-slavery." In addition, Germans were assured that taxes would be diminished, if not abolished, in the Third Reich.

What Remains Now

Practically nothing of all these programmes has so far been executed or even begun to be realized. There is a great deal of hardship imposed, especially in the intellectual classes; but on the whole, so far, the governmental policy in new Germany, as distinct from occasional interventions by radical groups within the Nazi party, tends to continue and complete the same policy as followed by all the German Governments of the last few years. The new policy, so far, if there is any, mainly allows for the consequences of and elaborates those previously followed.

Agriculture and Industry

By keeping agricultural imports out of the country, the lines of policy of Mr. Hitler's predecessors are being continued. Thanks to a 300 per cent ad valorem duty, wheat in Germany costs about 2½ times the world market price. Subsidies of all kinds are given to help the farmers, especially the big landowners, who no longer have anything to fear from expropriation and peasant settlement.

Nor has anything happened in the industrial field which would look like the fulfilment of the "socialistic" side of the Nazi programme. Industry as a whole has been brought more closely under state supervision by strict control of the organizations, economic and political, of the different industrial groups. At the same time, cartelization has received a strong impetus. The guild type of organization has been much favored, so much so that in a number of cases the cartel was even forced upon the industry which was reluctant to organize itself in a monopolistic manner. Outsiders were driven into these monopolistic combines and prices successfully raised.

Consequently, all over the industrial markets German prices of finished products are rising strongly. On the other hand, with the exception of butter, agricultural prices, in spite of more or less governmental interference in the market, have been falling. Farmers and especially consumers are the immediate sufferers while industry, of course, gradually loses ground when, naturally enough, the purchasing power declines.

Monetary Policy

Under these conditions, the Nazi rank and file, who got, in the days of irresponsible propaganda, a thorough inflationist "training," are rather inclined to ask for the fulfilment of this implied pledge. Inflation is, however, firmly refused by the present economic and financial leaders of the country. They know that it would mean ruin in Germany, where the inflation experience is still remembered. They know it would necessitate progressive inflation and ultimately a complete break-down. It would also compel station control of agriculture, regulation of prices, rationing of consumption, etc. Certainly, the Junkers and the heavy industries, as the strongest supporters of the present regime, are not desirous of any such course of events; the less so since their desire for competition in the international market is largely satisfied by export bonuses, and particularly by the possibility of using blocked accounts of all sorts for financing exports. The blocked mark accounts are devalued by some 25 to 50 per cent, which means as much as a dumping premium, an "advantage" in competitive markets which has recently shown a strong tendency to rise.

Cure of Unemployment

The main economic effort of the Government is concentrated on the battle against unemployment. The official figures since March disclose a reduction of the number of unemployed from 6½ millions to over 4 millions. What percentage of the diminution of the unemployment figures is due to rather artificial measures, nobody knows. At the same time assets and liabilities of the banks diminish from month to month, a diminution which is not to be explained by the fall of the dollar. (A substantial part of the German bank accounts on both sides of the balance sheet are on a dollar basis.) No ultimate explanation of the discrepancy between the financial figures with their downward trend and the employment data with their upward tendency is available. Already, however, the continued fall of prices on the German Stock Exchange alarms the Nazis and nobody can forecast the action they will take forcibly to displace economic hindrances which obstruct their political plans. So far, so-called "voluntary" contributions which practically amount to a capital levy have been announced as the next step to "cure" unemployment.

Small Public Works

Without adopting paper inflation, which probably would not last very long, there are very little possibilities of public expenditure with the aid of the Central Bank. Some 2½ billion marks had already been assigned before Hitler came into power, and he promised another billion. But of all this, only a minor part has been alloted to date and not much is supposed to be spent within a short time. Economic prosperity and also economic policy of present-day Germany, therefore—so long as they avoid inflation—depend on the general trend of the business cycle and on the possibility of German exports. The export position, which is getting worse from month to month, is for the time being the key to the German situation — and to the political one probably also.

In the Mail

Responsibility of Banks

Editor, The Financial Post:

I am much interested in the article by Thomas Bradshaw, "Tax Collections Index of Municipal Credit" in this week's Financial Post. As this is to be continued for a few weeks, and being a large holder of East Windsor bonds defaulted on Oct. 1, 1931, would you please ask Mr. Bradshaw to include in his next article this:

What about the careful investor, who has invested a municipality, found it in excellent condition, and with the brightest of prospects (say in 1922-23) and then has taken quite a few of their debentures, only to find in a few years this municipality spending money recklessly, then defaulting? This is our case. Is there no protection for the investor? One can never get any information until it is too late.

Also why are the banks allowed to lend money to these towns, knowing they are in bad condition? What the banks lent to East Windsor was appalling. The bondholder has no chance to know the real state of affairs, whereas the banks do. Everything is kept quiet and secret, then the banks are paid first, I understand. This is unfair.

If these banks would not lend money to towns in such a state as East Windsor was, things would not get so bad. Certainly after what they did the banks should be paid last. They deliberately lent money to a town absolutely broke. I would like to hear what Mr. Bradshaw thinks of this.

Mrs. A. H. Benton-Neff.
Humberstone, Ont.
Sept. 11, 1933.

Ed. Note—Mr. Bradshaw's articles consist of a paper recently delivered before the Ontario Municipal Association, and are, therefore, in a form not subject to revision. The Financial Post's annual municipal issue gives financial information on larger Canadian cities.

New Books

"Recovery — Canada's Efforts"

In this paper-bound volume of 83 pages, E. S. Bates, editor of the Canadian Textile Journal, Montreal, discusses Canada's basic economic problems and offers a three-point programme for recovery. The programme does not lend itself to brief analysis. It involves such striking innovations as Government guarantee of commercial loans and regulation of production, wages, etc., in secondary industries.

The volume is published by the Canadian Textile Journal Publishing Co., Montreal, at 50c.

As Others See Us

Should Find the Reason

Stratford Beacon-Herald.—It was from the Financial Post that the following was taken:

"At an Ontario Government luncheon given by the Prime Minister on one occasion, the butter was so delicious that guests enquired from the caterer where he got it. It turned out to be New Zealand butter. He explained that it was always difficult to get good Canadian butter."

There is nothing in the above to make us particularly conceited. Perhaps there is some truth in that we need to learn. Whether the butter of New Zealand is uniformly better than that which we produce in Canada is something we do not know, but the caterer in Toronto seemed to think so. We can see no good reason why our butter should not be so good that guests at a government function, or any other function, should not smack their lips and ask for more. As The Financial Post says, we have ten Ministers of Agriculture; we have ten deputies as well, and many other officials, and we have colleges where butter-making is taught. If New Zealand can make better butter than Canada' we should be quick to find out the reason.

Right now there is an experiment going on to try and determine why it is that Danish bacon brings 100 shillings per 112 pounds on the British market, while Canadian bacon sells for from 60 to 72 shillings for the same amount. People remember quality long after they have forgotten about the price.

The C. C. F. Brain Trust

Fort William Times-Journal—This is rather a brilliant lot of fairly young men, all students of some branch of social science, and it is not fair to them that The Financial Post should ridicule them on account of their youth, or because none of them has ever operated a store or run a farm successfully. The really lamentable fact is that these clever young men have fallen in line behind a leader of Woodsworth type and have been unable to steer the C. C. F. out of the rut into which the leader and some of his colleagues have run it.

It is not essential for the understanding of the elements of economics and finance to have been a grocer or a farmer, else the story of economic progress would have been vastly different. Adam Smith who still ranks as one of the giants of economic science, never conducted a business; Henry Fawcett, the blind author of the Principles of Political Economy, was a professor at Cambridge; John Stuart Mill, who is still an authority to be quoted was a civil servant, and in our own modern times, J. M. Keynes, who is outstanding in the field of economics and whose diagnosis and predictions have been almost completely verified after the event is also a professor at Cambridge. If these men had raised hens or sold sugar, they might have become experts along these lines but the science of political economy would have suffered.

Cheap criticism such as is indulged in by The Financial Post carries little weight. No one will deny that the so-called C. C. F. brain trust comprises some very active and intelligent brains. What we regret in their case is that they have not allowed their intelligence to keep them from being made the instruments of a ruthless and radical cult, which aims at creating a social system patterned on the dictatorship of Moscow.

Instead of ridiculing men like Underhill, Forsey and the rest, those who see in the success of the C. C. F. the undermining of Canadian liberties, should counter attack with a brain trust of their own.

Where Canada Lags

Regina Leader-Post.—J. K. Ross-Duggan, editor of "Canadian Trade Abroad," has spent several weeks in Great Britain looking into marketing matters and has returned to Canada to express surprise at the lack of publicity for Canadian products in Britain. In this respect he writes that Canada lags far behind the other Dominions.

The Leader-Post has frequently remarked that next to pulling down tariff barriers so that trade may flow more freely, the best instrument to push Canadian sales in Britain and British sales in Canada is publicity. From Mr. Ross-Duggan's report it is apparent that Canada is suffering in the British market because of failure to make known the merits of her products.

Ottawa Should Explain

The Globe, Toronto.—The Financial Post publishes a report from its Ottawa correspondent that the Government has made a settlement of income tax charges against I. W. C. Solloway, late of the firm of brokers of Solloway, Mills & Co., for a sum only a fraction of the original claim.

The affairs of Solloway, Mills & Co. have attracted such wide interest because of the number of persons affected adversely that if the Government has made a settlement it ought to take the public into its confidence, showing the basis for the agreement. Some of the prevailing mystification surrounding the whole matter might then be removed.

Other Peoples' Views

Professors and Hats

Regina Leader-Post — There are some professors in the C. C. F. movement and Col. Harry Mullins, Manitoba Tory M.P., who has been speaking in Regina, is concerned about them. He intimates that they don't know what work is and that it is a case of "two dollar heads in ten dollar hats."

Well, there are professors in all parties, and we think it should be taken for granted that they have their place. An intelligent professor should know something about the world as well as the particular subject on which he may be an expert. After all, a professor is a human being, very often with a wife and family, and it is quite possible that he would be no worse than the average fellow in making a mess of things. The others have planted themselves rather neatly in the corner of the room and do not know how to get out.

Furthermore, very few professors wear ten dollar hats.

"Here Today . . ."

Business Week.—Dr. Moley's new magazine is to be called "Today," which possibly is taken from the familiar quotation, "Here today—." He rejected many excellent suggestions for a name. One was "The Asterisk."

Success

Time—In the Cincinnati Enquirer's "Swap" column appeared this advertisement: "Have complete course, 'How to become a success,' will swap for room rent."

Farmers Must Produce

Ontario Farm Bulletin. — To the man in street, any attempts to increase production in these days of depressing world surpluses seem a waste of time, or even worse. He forgets, says L. H. Newman, Dominion Cerealist, that the problem of the individual farmer differs vastly from that of the nation as a whole, in that the capacity of the farmer to carry on and pay his way is measured in no small degree by the yields he realizes per acre. To the farmer, the acre is his unit of production. If his average yields per acre, whether converted into milk, mutton, or beef, or disposed of in their raw state, are not sufficiently high to enable him to meet his obligations he must either succumb entirely or be forced to adopt a standard of living which removes him as an important factor in the problem of keeping the wheels of commerce moving.

Prosperity By Squandering

New York Times — J. M. Keynes thinks that America can spend her way back to prosperity. But the question after you have spent your way back is if you can pay your way back.

Never Too Old

Sydney Australia Bulletin: Foch was 66 when, as commander-in-chief of the French, British, Americans, Italians and Belgians, he defeated the invaders in the Second Battle of the Marne, and sixty-seven when he received their surrender. At sixty-seven Hindenburg broke the Russians in the battles of Tannenberg and the Masurian Lakes. When just on 78 he was named president of the German Republic. Last April, being then four months short of 85, he was re-elected for seven years. When is a man old, in every sense of the word? It depends on the kind of man he is. Some are spent forces at 40; others are sound in mind and body, and even youthful in thought and feeling, in the seventies. Since the claims of youth are strong, and legitimate ambitions must not be thwarted, it is necessary to have a retiring age for civil servants, and 65 seems a fair thing; but it should not be made a hard and fast rule.

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13

The Week in Business

Unfair Competition

UNFAIR competition from public utilities in the sale of electric appliances is perturbing hardwaremen throughout the country, with the present chief storm centres being Toronto and Winnipeg. It is claimed that utilities, in order to further the use of electric power, are selling appliances at a loss and that further, these losses have, in many instances, to be met by the taxpayer. With their large resources, utilities have opened showrooms which cannot be approached by independent merchants as far as layout and sales appeal is concerned.

In the current issue of Hardware and Metal, Toronto, there appears a letter from a Winnipeg hardwareman in which the city-owned utility of that city is accused of operating showrooms at a cost of $300,000, the sales from which amounted to only $273,000 in 1932. In part, the letter states:

> "We have, we believe, a very real grievance against the city-owned utility in that they use taxpayers' money to compete with the taxpayer in the same line of business making such prices, terms, etc., that their own statement for 1932 shows merchandise sales of $273,000 which cost, with sales expense, $300,000. Naturally, no privately-owned business can meet this sort of competition.
>
> "As far as Winnipeg is concerned, there was never any need for the utilities to sell appliances. The field was very completely covered from the first."

* * *

Business Expansion Continues

THE very marked slowing down of business in the United States, after the spurt created by Roosevelt's reorganization schemes, is worrying students of business in that country. In Canada, a slightly similar slowing down is being seen in some lines but natural seasonal tendencies are generally accepted as the reason. Statistical evidence would seem to prove that manufacturing activity in many lines, even in Canada, has run somewhat ahead of purchasing power and therefore a pause is necessary to allow the buyers to catch up. Generally speaking, however, most observers see a constructive forward movement taking place throughout the country. Dun & Bradstreet, Inc., current weekly review sums up the Canadian situation as follows:

> "While gains in some of the major indices are less pronounced than they were a month ago, the underlying sentiment continues constructive, and most of the trade news received during the week was favorable. Widening employment, particularly in railroad and industrial districts, lumber camps, and coal mines is showing up in the larger totals being recorded for retail distribution and the continued gain in bank clearings over last year's record.
>
> "Due to the small stocks on hand, wholesalers are receiving a constant stream of reorders, with general quotations now higher than they were in August, and further advances in prospect for wearing apparel and shoes. Manufacturing activities are expanding, as seasonal requirements increase."

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Business Conditions in Canada

AUTO PRODUCTION 50 PER CENT UP OVER LAST YEAR

August Records Show Plants Maintain July Level

SALES ALSO HIGHER

Most Leading Makes Have Excellent Results in August—Total Sales 23 p.c. Higher

Increase of 50 per cent in the number of automobiles produced in Canada in August as compared with the same month a year ago brings total production for the year to approximately the total recorded in the same period of 1932. Automobiles produced for sale in Canada in August numbered 4,160 as compared with 2,312 in August, 1932, while those produced for export totalled 1,919 as against 1,755 a year ago.

The increase in the number of automobiles produced for sale in Canada in August is the first this year, although in April, May and June the addition of the number of cars manufactured for export made the total monthly figure greater than that for the corresponding month of 1932. For the year to date, 38,292 automobiles have been produced for sale in Canada as compared with 44,049 in the eight months period of 1932, a decrease of 13 per cent. Export production, on the other hand is 76 per cent greater, the comparative figures being 12,589 and 7,159.

Sales Also Higher

While eastern Canada sales of passenger automobiles in August did not show as great an advance as production did, the total of 3,157 is 23 per cent higher than in the corresponding month of 1932, according to an analysis made by The Financial Post of figures compiled by Might's Directories and published in Canadian Automotive Trade. Sales of almost all the leading makes of cars were higher than a year ago. August is the second consecutive month that total sales of passenger cars in eastern Canada have been greater than the corresponding month of 1932.

Chevrolet maintains its lead as the most popular automobile on the basis of total sales with 903 sales in August. In August a year ago sales only amounted to 483. Ford retains second place with 705 cars, but this total is less than the August, 1932, result. Dodge, Plymouth and Pontiac follow in that order.

Gain by Dodge

Best gain over last year is made by Dodge with 361 sales compared with only 40 in August, 1932. Other makes to record good gains include Chevrolet, Plymouth, Chrysler, Pontiac and Buick.

Sales in eastern Canada for the year to date are 10 per cent less than a year ago, totals for all provinces being lower. Chief losers are New Brunswick and Nova Scotia, with losses of 55 and 30 per cent respectively. Ontario records the smallest percentage decline with less than 2 per cent, while Quebec sales are down 15 per cent.

Sales by leading makes and by provinces follow:

Passenger Auto. Sales By Leading Makes
(Eastern Canada Only)

	Aug. 1933	Aug. 1932	8 Mo. to Aug 1933	8 Mo. to Aug 1932
Chevrolet	903	483	7,997	8,052
Ford	705	829	5,484	7,617
Dodge	361	40	2,811	805
Plymouth	306	174	2,480	2,268
Pontiac	180	117	1,916	1,597
Buick	138	97	1,304	1,709
Chrysler	125	66	835	899
Essex	122	168	815	852
Frontenac	63	52	576	389
Oldsmobile	51	58	593	575
Rockne	27	52	295	522
Studebaker	27	39	314	687
DeSoto	24	57	342	844

Automobile Sales By Provinces
(All Makes)

Ont.	2,265	1,682	18,923	19,358
Que.	666	570	5,785	6,816
N. B.	76	142	684	1,528
N. S.	120	152	1,477	2,147
P. E. I.	30	27	150	171
Total	3,157	2,573	27,019	30,020

Business Briefs

Failures under the Bankruptcy Act in the week ended Sept. 16 numbered 18 as compared with 38 in the corresponding week last year. Failures to date total 1,136, a decrease of 377 from the same period of last year.

Pig iron production in August amounted to 35,233 long tons, the highest monthly total since July, 1931, and compares with 31,689 tons in the previous month and 5,992 tons in August a year ago.

Steel ingots and castings production in August totalled 48,659 tons, slightly smaller than the 49,076 tons recorded in July and much greater than the 27,000 tons recorded in August, 1932.

Car loadings for the week ended Sept. 16 amounted to 47,634 cars, an increase of 6,607 cars from the previous week but 7,889 cars less than in the corresponding week a year ago. The loss is confined to grain and L.C.L. merchandise loadings.

Business Index Advances In All Economic Areas

Fourth Consecutive Monthly Advance Recorded By The Financial Post Index—General Nature of Advance Without Precedent—Much Better Than Expectations

By SYDNEY B. SMITH

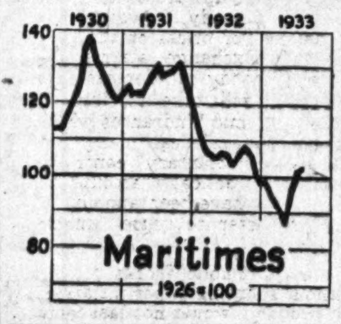
Business indexes by economic areas registered general advances in August for the fourth consecutive month. This movement, extending over the four months with an unbroken record of advances, reflects the tangible nature of the economic recovery in Canada since the first quarter of the present year. The general nature and the rapidity of the advance is without precedent in the entire period of observation from the beginning of 1925 to the present.

Even if the pace slackens during the remainder of the year, the recovery from April to August has made a contribution toward the restoration of economic confidence which was entirely beyond the anticipation of the more confident in preceding months. The present year will doubtless be regarded as the definite turning-point in the economic cycle, due mainly to the betterment already recorded in the second quarter and up to the present time.

Employment's Importance

The most significant factor resulting in the rise of the regional indexes was employment, excellent gains being shown in each of the five economic areas except the Maritime provinces. The power industry was more active in August gains being recorded in Quebec and the Prairie provinces, while the output in Ontario was maintained after seasonal adjustment. The Maritimes were alone in showing a gain in bank debits compared with the preceding month, and sales of insurance were greater in the Maritime provinces and Quebec. Three of Quebec's prominent industries showed gains in August, and wheat receipts at country elevators in the Prairie provinces were at a surprisingly high level.

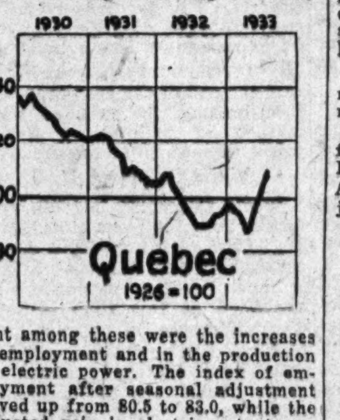
Maritimes—Owing in part to the revival in the lumber industry and in part to relatively satisfactory crop yields, the outlook for the Maritime provinces has brightened considerably. The Dominion Iron and Steel Co. operating at Sydney recently had 1,495 men on their payrolls, while coal mining operations at Sydney Mines and Glace Bay were also more active.



After seasonal adjustment, bank debits in the area showed a gain of about 2 p.c. over July. Sales of life insurance were $1,948,000 compared with $1,808,000. Imports through Maritime ports were valued at $2,555,000 compared with $1,784,000. Exports declined moderately and tonnage of vessels clearing from Halifax and Saint John showed recession from the high level of the preceding month. Building permits were greater, while contract awards showed decline, the industry being at a relatively low level.

The index for the Maritimes for August was 103.6 compared with 102.0 in July.

Quebec—Of the nine factors used for determining the trend in Quebec, seven showed gains in August. Prominent among these were the increases in employment and in the production of electric power. The index of employment after seasonal adjustment moved up from 80.5 to 83.0, while the adjusted gain in electric output was 5.6 p.c. Both of these increases are suggestive of resumption of industrial operations. Owing probably to decline in speculative transactions, bank debits were at a lower level than in July. Sales of life insurance showed a gain of 4.3 p.c. Contract awards were $3,587,000 compared with $3,288,000, building permits showing decline to a low level.

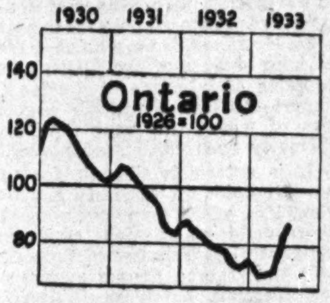


Imports of raw materials for the textile industry showed an adjusted gain of 14 p.c. indicating intentions for the speeding up of operations. Newsprint production and shipments were at a considerably higher level, the gain being about 8.5 p.c. The boot and shoe industry operated at a high percentage of capacity, an adjusted gain being shown over the preceding month.

The net result was that the index for Quebec moved up from 103.8 to 108.9 in August, a gain of 4.8 p.c.

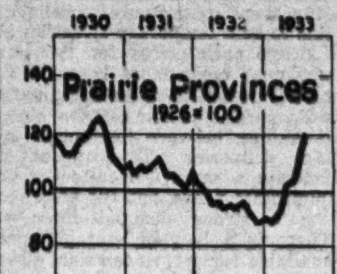
Ontario—Building permits in Ontario moved up to $1,005,000 compared with $875,000 in July. The decline in contract awards was marked, the total being $2,895,000 compared with $6,495,000. The gain in electric output was just equivalent to the normal increase for the season, the average daily output being 12,670,000 kw.h. compared with 12,073,000.

The most significant factor on the upside was employment, the index after seasonal adjustment being 85.5 on September 1 compared with 84.4 on the first of the month under review. Banks debits and sales of life insurance showed decline, from the relatively high levels of the preceding month. Three of Ontario's important industries, iron and steel, motor cars and meat packing, were nearly maintained after seasonal adjustment, at the July level of operations.



The index for Ontario was 86.9 in August compared with 83.8 in the preceding month, a gain of 3.8 p.c.

Prairie Provinces—Grain yields in the Prairie provinces varied considerably from district to district, but it is now recognized that the harvest was the lightest for some years. The August receipt of wheat at 25,624,000 bushels indicates a rush of deliveries which will probably not be maintained after seasonal adjustment in the remaining months of the year. The adjusted gain over July when deliveries to country elevators were 10,524,000 bushels was consequently of a pronounced character. The average price of contract cash wheat was about 10 cents per bushel less than in July, the computed average for August being 73.3 cents.

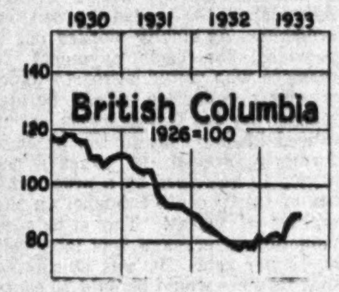


The percentage betterment in the construction factors was marked, but the level of operations remained relatively low.

Electric power output after usual adjustments showed a gain of one half of one per cent. The adjusted gain in the index of employment was 1 p.c. which in view of normally moderate month-to-month fluctuations in this factor, may be regarded as satisfactory. Bank debits owing mainly to slackening in transactions on the Winnipeg Grain Exchange showed marked decline, and sales of life insurance were moderately less.

The index for the Prarie provinces moved up from 111.5 to 120.9 in the month under review.

British Columbia—Six of the nine factors used in the computation for British Columbia showed gains in August. Employment showed an adjusted increase of 2 p.c. Contract awards were $1,683,000 compared with $493,000 and moderate gain was shown in building permits issued in principal cities and towns. The gain in electric output was less than normal for the season. Adjusted declines were shown in bank debits and sales of insurance.



Exports through British Columbia ports were $7,755,000 compared with $7,198,000 a gain of more than 5 p.c., the adjusted increase in imports being 2 p.c.

The index for British Columbia at 89.3 compared with 87.2, showed a gain of 2.5 p.c.

Commodity Prices

	Week ending Sept. 23	Previous week	Same week last yr.
Cattle, cwt.§	$5.00	$5.25	$6.00
Copper, lb.	.09	.09	.06¼
Cotton, lb.	.1015	.0970	.0745
Rubber, lb.	.0790	.0719	.0388
Sugar, raw, lb.	.0362	.0361	.0315
Silk, lb.	1.95	1.97½	1.92½
Wheat (Man.) bu.°	.66⅝	.68¼	.50¼
Hides, lb.	.13	.13	.08½
Coffee, lb.	.07	.07¼	.09½

Weekly Indices

N. Y. Annalist‡	106.6	103.7	94.9
Fishers'	♦71.6	71.1	†62.0
N. Y. Journal of Comm.■	72.7	71.3	59.6
Crumps (Brit.)*	64.3	64.5	†62.4
U. S. Labor▲	69.7	69.7	65.7

†Average, 1932.
‡Week to Sept. 19.
*Week to Sept. 16.
▲Sept. 9.
♦Sept. 23.
§Sept. 21.
°Sept. 23.
■Sept. 23.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.) (August)	69.4	70.5	66.7
Retail (August)	78.6	77.2	81.4
U. S. Labor (Aug.)	69.5	68.9	65.2
Gt. Brit. (July)	69.0	68.6	65.0

‡ Basis of price quotations is as follows: cattle — steers, good, over 1,050 lbs., top price, Toronto: copper — electrolytic, New York; silk — Japanese, 13-15, New York; sugar—96 degrees centrifugal c/f New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee —Rio, No. 7, spot, New York.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	1932	Cumulative Jan 1 to date 1933	1932
Transportation—				
Car loadings (Sept. 16)	47,634	55,523	1,352,991	1,528,146
C.P.R. gross earn. (Sept. 21)	$ 2,739,000	$ 3,517,000	$ 76,537,000	$ 84,243,000
C.N.R. gross earn. (Sept. 21)	$ 3,426,547	$ 3,818,811	$ 99,568,876	$ 109,159,491
	Monthly			
C. P. R. net earn. (July)	$ 1,368,380	$ 859,708	$ 6,229,521	$ 6,111,587
C. N. R net earn. (July)	$ 820,466	$ 208,708	$ ‡12,158,515	$ 829,076
Iron and Steel—				
Pig iron, tons (August)	35,233	5,992	103,132	90,510
Steel, tons (August)	48,659	26,710	228,199	234,704
Automob. prod., No. (Aug.)	6,079	4,067	50,881	51,208
Auto Vehicles—				
Passenger, sales, No (July)	4,569	3,473	30,091	30,716
Trucks & buses, sales, No. (July)	571	544	3,502	5,082
Auto. exports, No. (Aug.)	1,754	1,566	12,258	6,225
Construction—				
Building permits (July)	$ 2,082,302	$ 4,412,169	$ 12,189,591	$ 28,753,213
Contracts (August)	$ 9,479,900	$ 12,688,500	$ 55,043,800	$ 99,989,800
Newsprint—				
Production, tons (Aug.)	194,262	157,919	1,268,833	1,304,657
Exports, tons (July)	167,302	131,780	974,539	1,065,226
Sugar—				
Imports, raw, lbs. (August)	66,650,000	98,885,200	374,671,000	519,853,000
Melt. & ship., lbs.*	63,270,423	82,116,218	495,720,370	569,162,759
Manufactured, lbs.*	60,377,719	81,916,973	485,758,000	550,000,815
Flour—				
Production, bbls (July)	1,322,923	1,201,965	7,565,309	7,134,414
Wheat flour exp., bbls. (June)	544,507	570,861	2,564,662	2,372,216
Other Industrial Indices—				
Lumbering: Plank & board exports, mill ft. (July)	116.18	37.85	458.68	445.33
Boots and shoes, pr (June)	1,965,647	1,559,192	8,823,892	9,129,585
Petroleum, imp. crude, gal. (July)	118,271,494	104,209,139	381,537,889	555,137,131
Cotton, imp., raw, lbs. (July)	9,790,000	3,590,000	50,556,000	53,693,000
Rubber, raw, imp. lbs. (July)	2,670,000	3,425,000	18,748,876	30,096,659
Coal, imports, tons (July)	1,239,693	1,054,454	5,170,197	5,445,332
Gasoline sales, gals. (May)	42,190,000	47,307,000	149,766,000	161,805,000
Trade—				
Imports (August)	$ 38,747,030	$ 36,527,262	$ 242,321,524	$ 314,285,344
Exports (August)	$ 44,723,252	$ 41,314,120	$ 302,162,200	$ 306,435,613
Wheat exports, bus. (July)	16,378,532	19,620,224	90,742,109	87,825,296
Labor—				
Employment Index (Aug)	87.1	86.3	......	......
Electric Power—Output—				
M. Kilowatt hours (Aug.)	1,508,213	1,280,220	11,034,168	10,312,284
Finance—				
Failures, No. (July)	142	175	1,281	1,412
Failures, Liabilities (July)	$ 2,289,454	$ 2,986,840	$ 21,645,249	$ 24,208,290
Bank debits† (July)	$ 3,527,824	$ 2,175,590	$ 16,723,096	$ 14,712,584
Bond sales (August)	$ 92,412,225	$ 9,419,968	$ 248,656,175	$ 198,402,806
Insurance sales (Aug.)	$ 27,263,000	$ 23,370,000	$ 235,736,000	$ 281,372,000
Automobile Financing—				
Used cars (July)	$ 989,713	$ 1,228,019	$ 6,823,445	$ 8,684,978
New cars (July)	$ 1,138,620	$ 1,245,578	$ 6,818,331	$ 9,045,515

*Four weeks period, Aug. 19 to Sept. 9. †(000's omitted). ‡Deficit.

AUGUST INCREASES BUSINESS INDICES ALMOST GENERAL

Gains in Power Output, Flour Milling Are Important

The Financial Post business index revised upon the receipt of full information, was 88.7 in August compared with 84.3 in the preceding month. The marked advance indicated by the preliminary index published last week is more than confirmed by the revision resulting from the inclusion of the additional factors, the preliminary index having been 88.4.

The mineral production indicators contributed heavily to the advance of the general index. Of the nine factors only one failed, after seasonal adjustment, to show a gain over the preceding month. Exports of nickel reached an extraordinary total in May and have since been showing a dropping off, but the present level is about eight times as high as the same month of last year. Bauxite imports for the manufacture of aluminum were 12,176,600 pounds compared with 4,800,000 and the output of coal was 882,000 tons compared with 676,000. The index of mineral production was consequently 95.7 compared with 78.3 in July.

Flour Mills Busy

In the manufacture of food products gains were recorded in the flour milling and sugar industries. Cattle slaughterings were greater and canned salmon exports showed marked expansion. Sheep and hog slaughterings were down, while exports of cheese were in lesser volume.

The gain in cigar releases was less than normal for the season, while cigarettes and raw leaf showed moderate gains. The index of releases was 121.7 in August compared with 120.9.

The gain in raw cotton imports was substantial, suggesting further expansion in textile industry operations. The total was 10,584,000 pounds compared with 9,790,000 and the gain in employment on September shows that greater activity has already been attained. Cotton yarn showed decline, while a marked gain was shown in the imports of raw wool and wool yarn. Crude rubber imports were 4,022,000 pounds compared with 2,670,000, whereas a decline is normally shown from seasonal causes.

Newsprint Higher

Owing to the increase in the output of newsprint and in the export of pulp, lumber and shingles, the forestry index moved up from 87.0 to 94.0.

The position in the primary iron and steel industry was not greatly altered in the month under review. Production of steel ingots was not quite so heavy in August, while pig iron showed an increase from 31,689 tons to 35,233. Decline in motor car production was greater than normal for the season, the index on the 1926 base being 39.5 compared with 41.1. Imports of iron and steel and their products were $6,046,000 in August compared with $5,636,000. The index of the four factors indicating the trend of the iron and steel industry was 46.4 compared with 47.2 in July. Imports of crude petroleum held up well at 116,300,000 gallons compared with 118,300,000, the increase after seasonal adjustment being about 2 per cent.

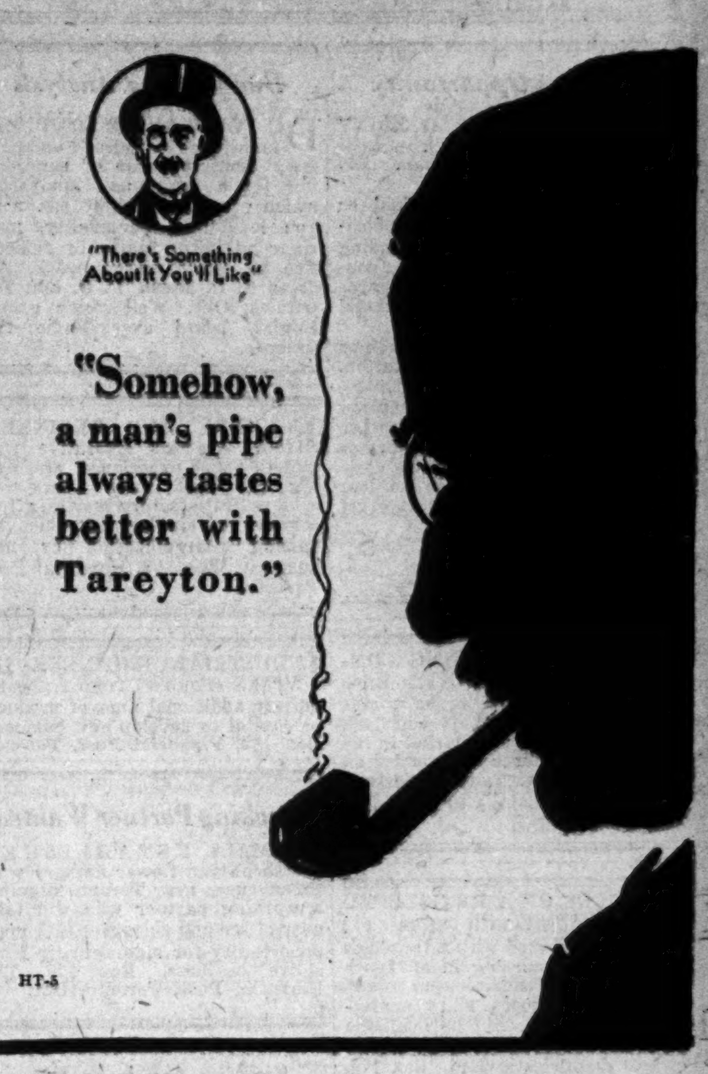
The index of new business obtained by the construction industry was 25.5 compared with 34.0, reflecting the low level in terms of the 1926 base.

Power Output Up

The power industry is enjoying an expansion in demand which permits of a greater output. The average daily production was 48,652,000 k.w.h. compared with 46,587,000, resulting in an adjusted gain of 5 per cent.

Carloadings were 185,555 in August, resulting in a gratifying gain over the preceding month. Employment in wholesale and retail trade showed moderate gain on September 1. The gain in imports after seasonal adjustment was 9 per cent, a decline being shown in exports from the high level of July. The adjusted gain in industrial employment was about 2 per cent. Bank debits, the amount of cheques cashed at the branches of the chartered banks, were $2,649,000,000 compared with $3,528,000,000 in July, the adjusted decline of 19.5 per cent being ascribed to recession in speculative transactions.

HERBERT TAREYTON
LONDON SMOKING MIXTURE


"There's Something About It You'll Like"
"Somehow, a man's pipe always tastes better with Tareyton."
HT-5

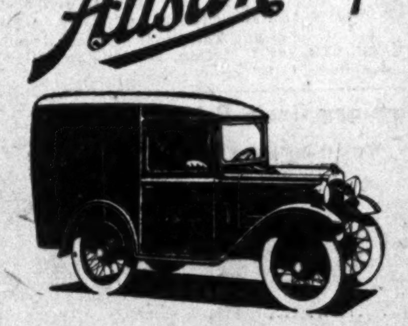
An Announcement by Austin

Of great interest to all business men concerned with Goods Delivery Problems

BRITAIN'S BEST KNOWN MAKERS OF MOTOR VEHICLES

The Austin Motor Co. Ltd. of Longbridge Works, Birmingham, England, is now making available to Canadian business men the great economies in delivery costs made possible by Austin made-in-England Commercial Vehicles. These economies are very real. They cut delivery costs in half and more. They are available now through sales and service agencies for Austin passenger and commercial cars in the larger Canadian centres, and sales and service facilities are being extended throughout Canada.

THE Austin '7' VAN



The 'Seven' is the most famous light chassis in the world, with more speed and reliability victories to its credit than any 10 other cars. Here is a strong, rugged machine that has demonstrated its ability to deliver tens of thousands of miles of repair-free service—and do it at a cost per mile incomparably less than other cars in its price class. The 'Seven' will run 40 to 45 miles per gallon of gas, 1,200 miles per gallon of oil, and will travel comfortably and without a sense of straining at 40 m.p.h. It is practically an ideal vehicle for delivery work on loads up to 500 lbs.

INTERIOR DIMENSIONS
Length 3 ft. 4½ in.
Width 3 ft. 11 in.
Height 3 ft. 1 in.
Width between Wheel arches 2 ft. 11 in.
Door Opening 2 ft. 1 in.

EXTERIOR DIMENSIONS
Length 10 ft. 1 in.
Width 4 ft. 2 in.
Height 5 ft. 8 in.
Floor level from ground 1 ft. 9 in.
Cubic Capacity 81½ cubic feet

THE Austin '10-4' VAN

In the 'Ten-Four', English craftsmen again demonstrate their ability to build long life and low running cost into a commercial car of very moderate cost. The 'Ten-Four' is larger all-around than the famous 'Seven', but it is equally remarkable in the economies it effects. It will handle 800 lbs. loads at speeds up to 50 m.p.h.—and do it with a gas consumption of from 35 to 37 miles per gallon. Both the 'Seven' and the 'Ten-Four' are specially adapted to Canadian needs, and are guaranteed for twelve months.

INTERIOR DIMENSIONS
Length 4 ft. 9 in.
Width 4 ft. 3 in.
Height 3 ft. 9 in.
Width between Wheel arches 3 ft. 0 in.
Door Opening 3 ft. 7 in.

EXTERIOR DIMENSIONS
Length 11 ft. 1 in.
Width 4 ft. 9½ in.
Height 5 ft. 8½ in.
Floor level from ground 1 ft. 10½ in.
Cubic Capacity 68 cubic feet

In the 'Seven' and the 'Ten-Four' Austin offers every business concerned with the delivery of goods a new low-cost, highly efficient solution of the delivery question.

THE AUSTIN MOTOR CO. LTD., LONGBRIDGE, ENGLAND

Ontario Distributors: V. & S. MOTORS LIMITED, 22 Shepard St., Toronto

DEALERS—If there is not an Austin Dealer near you, write our Distributors or to E. PALMER CLARKSON, Representative for Canada and Newfoundland, 2 Gould Street, Toronto. The Austin Motor Co. Ltd. offers a very attractive sales franchise.

CLASSIFIED ADVERTISEMENTS

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

Business Opportunity

$100,000 WANTED TO EQUIP plant producing milk powder containing all the cream and natural properties.

Must come from individual or group realizing spiritual responsibility of the new age demanding ethical treatment of producer, consumer and all concerned be paramount consideration for successful ventures.

Present group three Canadians sacrificing to prevent exploitation. Require 10% now, 10% two months, remainder for future expansion only. Worldwide opportunities for service and returns as processes applicable to many essential commodities. Will guarantee no loss and entirely satisfactory interest to right people.

Box 184, The Financial Post, Toronto.

TO BROKERS, MINING COMPANIES, MERCHANTS—Have your ads., circulars, reports, etc., translated in French, it will help you to reach a bigger market in the Province of Quebec and render an invaluable service to investors. Write for full details to P. O. Box 402, Quebec, P.Q.

SERVICES OF A REGISTERED MAN NURSE with business experience, combined with a thorough knowledge of nursing in all types of mental and nervous disorders, medical, surgical and genito-urinary diseases, will be available on or about November first. References. Enquiries invited. Box 176, The Financial Post, 481 University Ave., Toronto.

Verbatim Reports

BE QUOTED correctly! At every gathering where it is desirable to record accurately all that has been said, let Stenotype Service take the responsibility. Mechanical shorthand is employed to insure speedy, trustworthy verbatim reports. Conventions, club gatherings, boards of directors, political associations, etc., etc., can employ this service at all meetings with assurance of satisfaction. Fees are moderate. For further information write The Stenotype Reporting Bureau, 481 University Ave., Toronto.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 30th September, 1933, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Monday, the 2nd day of October, 1933, to shareholders of record of the 20th September, 1933.

By Order of the Board.

DUDLEY DAWSON,
General Manager.

Toronto, 17th August, 1933.

"CANADA DRY"

Ginger Ale, Incorporated
A Delaware Corporation

Dividend Notice

At the meeting of the Board of Directors of Canada Dry Ginger Ale, Incorporated, held September 19, 1933, a quarterly dividend of Twenty-five cents ($.25) per share was declared, payable October 16, 1933, to stockholders of record at the close of business, October 2, 1933.

R. W. SNOW, *Secretary*

The Toronto Mortgage Company

QUARTERLY DIVIDEND

Notice is hereby given, that a Dividend of Three per cent., upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st October, 1933,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,

WALTER GILLESPIE,
Manager.

The Whittall Can Company, Limited

Dividend Notice

Notice is hereby given that a Dividend of One and Five-eighths per cent (1⅝%), being at the rate of Six and One-half per cent (6½%) per annum, on the Cumulative Convertible (Redeemable) Preferred Stock of the Company, has been declared, payable October 2nd, 1933, to Shareholders of record September 15th, 1933.

By order of the Board.

D. H. MACFARLANE,
Secretary-Treasurer.

Montreal, September 14th, 1933.

Provincial Paper Limited

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable October 2nd, 1933, to Shareholders of record as at close of business, September 15th, 1933.

W. S. BARBER,
Secretary-Treasurer.

Toronto, Ont.

United Securities Limited

Notice is hereby given that a dividend of Fifty cents (50c) per share has been declared on the outstanding common shares of the Company for the quarter ending September 30th, payable October 16th, to shareholders of record September 27th, 1933.

By Order of the Board,

JAMES WILSON,
Secretary-Treasurer.

Montreal, Sept. 22, 1933.

Handwriting Analysis

DO YOU WANT A COMPLETE knowledge of yourself and powers? Send specimen of handwriting for a thumb-nail analysis—which gives your right job, what you look like, personality, marriage affinity, faults to remedy. Fee $1. State present work. Address F. D. Jacob, P. O. Box 701, Ottawa, Ont. Well-known graphologist, heard over Radio this summer.

FOUNDRY AND ENGINEERING Works Executive with twenty years experience, who during the past three years has achieved satisfactory results, offers services to similar industries requiring reorganization or new business. Box 178, Financial Post, Toronto.

INDUSTRIAL ENGINEER INVITES enquiries from firms requiring additional lines of products or capital to develop new business. Box 180, Financial Post, Toronto.

Working Partner Wanted

A SMALL ESTABLISHED shrub and flower nursery with greenhouses near Toronto requires a working partner who will take over office and sales work. A good opportunity for man retiring from active business. Box 170, The Financial Post, Toronto, Ont.

Service for Investors

INDIVIDUAL investors may secure a special service on specific companies in which they are interested. Service includes detailed analyses and all newscards and revisions published on those companies during the year. Send in your list of companies. Rate—$12 a year for any 10 companies. Additional companies pro rata. Or write The Financial Post Corporation Service, 210 Dundas Street West, Toronto, for further particulars.

DIVIDEND NOTICES

The Montreal City & District Savings Bank

Dividend Notice

A dividend of three dollars per share of the paid-up Capital Stock of this Bank has been declared for the current quarter, payable on and after Monday, the second day of October next, to shareholders of record Friday, the fifteenth day of September next, at three o'clock, P.M.

By order of the Board,

T. TAGGART SMYTH,
General Manager.

Montreal, August 29th, 1933.

General Trust of Canada

Dividend No. 18

A dividend of 1½%, being at the rate of 6% per annum, for the quarter ending September 30th, 1933, on the preference stock of the Company, has been declared, payable on October 2nd, 1933, to shareholders of record on September 25th, 1933, at noon.

RENE MORIN,
General Manager.

Montreal, Sept. 22nd, 1933.

Penmans Limited

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 31st day of October, 1933.

On the Preferred Stock, one and one-half per cent. (1½%), payable on the 1st day of November to Shareholders of record of the 21st day of October, 1933.

On the Common Stock, Seventy-five Cents (75c.) per share, payable on the 15th day of November to Shareholders of record of the 6th day of November, 1933.

By Order of the Board.

C. B. Robinson,
Secretary-Treasurer.

Montreal,
September 21, 1933.

The TORONTO GENERAL TRUSTS

CORPORATION

DIVIDEND NO. 149

Notice is hereby given that a dividend of one and one-half per cent. (1½%) has been declared upon the paid-up capital stock of this Corporation for the quarter ending September 30th, 1933, payable on and after Monday, the second day of October, 1933, to shareholders of record at the close of business on September 22nd, 1933.

By order of the Board of Directors.

W. G. WATSON,
General Manager.

Toronto, September 19th, 1933.

THE STEEL COMPANY OF CANADA, LIMITED

Preference Dividend No. 89

Notice is hereby given that a dividend of forty-three and three quarter cents (43¾c.) on the new Preference Shares of the Company has been declared for the quarter ending September 30th, 1933, payable November 1st, 1933, to shareholders of record at the close of business October 7th, 1933.

By Order of the Board,

H. S. ALEXANDER,
Hamilton, Ontario. Secretary.
September 20th, 1933.

THE STEEL COMPANY OF CANADA, LIMITED

Ordinary Dividend No. 67

Notice is hereby given that a dividend of thirty cents (30c.) on the new Ordinary Shares of the Company has been declared for the quarter ending September 30th, 1933, payable November 1st, 1933, to shareholders of record at the close of business October 7th, 1933.

By Order of the Board,

H. S. ALEXANDER,
Hamilton, Ontario. Secretary.
September 20th, 1933.

DIVIDEND NOTICES

Canada Bud Breweries Limited

Dividend No. 16

Notice is hereby given that a dividend of fifteen cents (15c) per share on the no par value common stock of Canada Bud Breweries Limited, has been declared payable on the 16th day of October, 1933, to shareholders of record at close of business on 30th day of September, 1933.

By order of the Board of Directors.

E. J. KAY,
Secretary-Treasurer.

Toronto,
September 21st, 1933.

Imperial Bank of Canada

DIVIDEND NO. 173

Notice is hereby given that a Dividend of two and one-half per cent (2½%) upon the paid-up Capital Stock of this Bank, has been declared for the three months ending October 31st, 1933, payable at the Head Office and Branches on and after Wednesday, the First day of November next, to shareholders of record of September 30th, 1933.

The Annual Meeting of the shareholders will be held at the Head Office of the Bank on Wednesday, November 22nd, 1933, the chair to be taken at noon.

By order of the Board.

A. E. PHIPPS,
General Manager.

Toronto, September 20th, 1933.

POWER CORPORATION OF CANADA LIMITED

Second Preferred Dividend No. 25

NOTICE is hereby given that a dividend of one and one-half per cent (75 cents per share) being at the rate of 6% per annum, has been declared on the 6% Non-Cumulative Participating Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending September 30th, 1933, payable October 16th, 1933, to shareholders of record at the close of business September 30th, 1933.

By order of the Board,

L. C. HASKELL, Secretary.

Montreal September 22nd, 1933.

POWER CORPORATION OF CANADA LIMITED

Preferred Dividend No. 33

NOTICE is hereby given that a dividend of 1½% (being at the rate of 6% per annum) has been declared on the 6% Cumulative Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending September 30th, 1933, payable October 16th, 1933, to shareholders of record at the close of business, September 30th, 1933.

By order of the Board,

L. C. HASKELL, Secretary.

Montreal, September 22nd, 1933.

Silverwood's DAIRIES LIMITED

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of one per centum (1%), being at the rate of 4% per annum, has been declared on the Preference Shares of the Company, payable October 2nd, 1933, to shareholders of record at the close of business, September 22nd, 1933.

By order of the Board.

J. H. GILLIES,
Secretary.

Dominion Canners, Limited

PURCHASE OF BONDS FOR SINKING FUND

Offers to sell 6% First Mortgage Sinking Fund Bonds of Dominion Canners, Limited, due 1st April, 1940, will be received by The Royal Trust Company at its office, 59 Yonge Street, Toronto, Ontario, up to and including 1st November, 1933.

Offers should be forwarded in sealed envelopes, marked "Tender of Dominion Canners Limited Bonds for Sinking Fund."

Each offer shall be deemed to include accrued interest and to be at the option of the undersigned for either the whole or pro rata for any part of the amount offered.

Payment therefor, in Toronto funds, to be made by The Royal Trust Company upon delivery of bonds, in bearer form, with relative coupons attached, at its Toronto Office.

The lowest or any tender not necessarily accepted.

Dated at Toronto this 22nd day of September, 1933.

CANADIAN CANNERS, LTD.
Hamilton, Ontario.

Wheat

From Our Grain Correspondent

Liquor Grains Active

WHILE the export of rye to the United States, in anticipation of distilling demand, has come to a stop, there are grounds for believing this to be a temporary situation. At Chicago cash prices for rye have weakened much more than the futures price, with an extraordinarily wide spread of ten cents a bushel prevailing between September and May deliveries. This appears to indicate a market overstocked for immediate needs, but one anticipating a strong demand later on. There is a lack of storage space available for rye, as terminal elevators have still on hand an excess of corn accumulated when the speculation in grains was recently at a high point. Then too, wheat in store tends to move but slowly, due to a temporary cessation in demand from millers, whose customers are still making use of flour bought in advance of the processing tax.

A strong demand exists at Winnipeg for barley of malting grades, presumably on account of expectation of demand from the United States for Canadian malt for brewing. Six row malting barley commands a premium of 7 cents a bushel, or almost 20 per cent, over the best feed barley. Unfavorable harvest weather is likely to reduce the proportion of western barley suitable for malting.

* * *

U. S. Acreage Scheme Troubles

COMMENT in the United States begins to disclose some doubt as to the degree of success likely to be attained by the wheat acreage reduction of the United States Government. As finally worked out it provided for cash payments to farmers who would agree to make whatever reduction might be demanded by the Government, not to exceed 20 per cent in the acreage formerly seeded to wheat, the money to be raised by a processing tax of thirty cents a bushel on the milling of wheat. The stipulated reduction in acreage was later put at 15 per cent. It was calculated that farmers would be paid 20 cents a bushel on their respective allotments of wheat produced for domestic consumption as an average during the past five years as a bonus for signing the agreement, and an additional 8 cents a bushel next spring when their performance of this obligation could be checked up.

The latest announcement from Washington indicates that it is expected to accomplish a reduction of 3,900,000 acres in the acreage seeded to winter wheat this fall.

That is less than half of 15 per cent of the whole seeded acreage of the country. The discrepancy is accounted for in the first place by the fact that it was decided not to push the campaign for signatures to agreements in those parts of the country where farmers do not seed large acreages, but rely on wheat simply as a rotation crop. Presumably the expense of signing and supervision, and the difficulties of avoiding deception were too great.

But in the great wheat states of the West where contracts with the Government have been freely signed, another type of difficulty has been discovered. Farmers' statements of acreages sown in the past add up to a great deal more than had been anticipated, and a reduction from the total of claimed acreages will not mean much in the way of reduction of actual acreage. Checking these claims is a matter of difficulty. It is doubted if many farmers have records which would prove within 15 per cent what acreage was seeded by them in recent years, or if any men's neighbors could even attempt to guess that closely.

Maritime Telephone Toll Traffic Up; Stations Down

From Our Own Correspondent

MONTREAL.—Better than seasonal gain in toll traffic is reported by the Maritime Telegraph and Telephone Co. for August last. The number of calls handled by the company was 124,458, of which 116,199 were completed for a percentage of 93.3.

Station installation trend as reported by the company continues unfavorable, though the decline has been growing steadily less. At the end of July the company had 37,985 stations installed. During August there was a net decrease of 42, bringing the number of stations down to 37,943.

Connecting companies lost 3 stations during the month, leaving the total installed at 6,568, while the Island Telephone Co. registered a loss of 1 station, stations installed totalling 5,495.

Winnipeg Grain Prices

Week to September 26

Crop year from Aug. 1, 1933 High	Low		Open Sept. 20	High for week	Low for week	Close Sept. 26
		Wheat				
.89⅛	.64¼	October	.70	.70¼	.64⅛	.64¼
.68⅝	.64⅜	November	..	.68⅝	.64⅜	.64⅜
.90⅞	.65⅛	December	.72	.72¼	.65⅛	.65¼
.95	.70	May	.77¼	.77¼	.70	.70⅛
		Oats				
.45	.32¼	October	.37⅜	.37⅜	.32¼	.32⅜
.45⅜	.33	December	.38	.38	.33	.33⅛
.48½	.35¼	May	.40½	.40½	.35¼	.35¾
		Barley				
.55⅞	.35¾	October	.40	.40¼	.35¾	.35⅞
.56⅞	.37⅝	December	.42	.42¼	.37⅝	.38
.59¾	.41⅜	May	.46	.52	.41⅜	.41¾
		Flax				
1.60	1.36	October	1.59½	1.59½	1.44	1.44
1.63½	1.35¼	December	1.62	1.63	1.43¾	1.45
1.71½	1.40¾	May	1.69	1.70	1.53	1.53
		Rye				
.62¾	.45¼	October	.56	.56	.50⅞	.52⅜
.64½	.47½	December	.58½	.58½	.52⅝	.54⅜
.68½	.51⅝	May	.62½	.62¾	.55¼	.58⅛

DIVIDEND NOTICE

CANADIAN GENERAL INVESTMENTS LIMITED

Dividend Notice

NOTICE is hereby given that a dividend of Seven and one-half Cents (7½c) per share on the paid-up capital stock of the Company has been declared for the quarter ending September 30th, 1933, payable October 15th, 1933, to shareholders of record September 30th, 1933.

SHARE WARRANT holders will present Coupon No. 21 at the Main Office of the Bank of Montreal in Victoria, Vancouver, Calgary, Edmonton, Winnipeg, Montreal, Halifax, St. John, or at the King and Yonge Streets Branch, Toronto, where payment will be made at par. By Order of the Board.

E. M. STRAIN, Secretary.

Grain and Milling

MARKET WEAKNESS DEBITED TO BULK OF STORED GRAIN

Import Restrictions Continue — Black Sea Trade Heavy

From Our Own Correspondent

WINNIPEG.—Liverpool accounts for the market weakness in wheat during the past few days by referring to the large quantities immediately on hand in both British and Continental ports, arrivals having outdistanced, although not to any large extent, immediate requirements. A shift in exchange ratios has also meant comparatively lower prices in Canadian currency when Liverpool prices are translated into dollars and cents. Overseas customers are showing even less inclination than a short time ago to make future commitments, and in this doubt as to the extent of Russian contributions to the export market seems to play a large part.

Continental countries continue to maintain their restrictions against imports, although both Germany and France appear to have abandoned the idea of subsidizing wheat exports. This seems to be both because supplies of grain that might be exported are likely to be actually needed in these countries before the end of the crop season, and also because the cost of such a method of maintaining domestic prices appears to be too great.

World Shipment Higher

World shipments last week were larger than for some time past, at 12,000,000, of which North America contributed just short of 5,000,000 a much smaller proportion than prevailed at this time last year. The difference is principally due to Black Sea shipments, which last year were extremely small, both from Russia and from Danubian countries, and which have now risen to well over two million bushels weekly.

There have been occasions in recent years when political tension in Europe led to accumulation of extra wheat supplies for a short period, but no such tendency is making itself felt at the moment.

The extent of damage to the western Canadian crop from wet weather between harvest and threshing has been increasing lately, although cooler weather has now stopped the tendency of grain in the stook to sprout. The rains have had a considerable compensating effect in increasing feed supplies in many districts.

RECENT REPORTS OF RUSSIA'S CROP PROVE BEARISH

Larger Exports by No Means Definite, However

From Our Own Correspondent

WINNIPEG.—The Russian situation has been a bearish influence in the market during the past week, both because Russian wheat exports from the Black Sea are being pressed, and because of the Russian expression of intention at London to export considerably larger quantities of wheat this year than had formerly been considered possible.

It is extremely difficult for the world outside of Russia to get any clear idea of the crop developments there, and it may be doubted if even the central government of Russia is able to gather a correct picture of the situation. Lately a considerable number of reports by apparently reliable correspondents, formerly denied access to the agricultural interior, have confirmed the production of excellent wheat crops in the Ukraine this year. Yet those same correspondents, in emphasizing this year's production have confirmed, apparently with official sanction, much more definitely than was previously known, the existence of famine and starvation in that area last year.

Starvation Reported

Knowledge of that condition has previously rested mainly upon accounts that were almost smuggled out of the country. Hundreds of private letters, for example, have been passed about in Western Canada, received by former residents now living in this country, and reciting the hardships and privations undergone by their relatives

Now there is official confirmation, by sanction given to reports now coming through, of the facts that deaths took place from actual starvation, that the death rate was enormously increased as the direct result of food scarcity, that parts of the country were depopulated as peasants sought districts where there might be more food, and that a considerable part of the livestock of a large area was destroyed through lack of feed.

Exact Data Unlikely

It appears unlikely that exact information can yet be available as to the total yields of grain in the various parts of Russia, or that exact calculation has become possible of what that country may find it possible to export. Consequently, commercial guesses previously made as to possible exports of 40,000,000 bushels in the current year may yet turn out to be correct, and the larger quantity of from 80,000,000 to 90,000,000 bushels for which the Russian representative at London is reported to have stipulated, to represent merely an aspiration for this or succeeding years.

ALBERTA PACIFIC COVERS CHARGES DURING PAST YEAR

Gross Income Off $150,000 — Prospects This Year Not Encouraging

From Our Own Correspondent

MONTREAL.—Alberta Pacific Grain Co.'s income in the year ended June 30, 1933, while less than that of the previous year, was sufficient to take care of depreciation, subsidiaries' losses, interest charges and leave a small balance to be carried forward in the profit and loss account.

The current financial statement is not particularly informative to the shareholders. A separate income and profit and loss account is not published while no information is given as to the company's liability in guaranteeing subsidiaries' bonds and bank loans.

Drop in Gross Income

The company's operating profit last year apparently was $421,728 which compares with $567,940 in the previous 12 months period. After making provision for smaller senior charges such as depreciation and interest, there remained a balance of $14,269 as against $47,887 in 1932.

Comparative figures of income for the past two years follow:

	1933	1932
Operating profit	$421,728	$567,940
Less: Deprec.	211,748	280,891
Interest	189,218	204,152
Subs. loss	6,493	10,010
Elevator costs	......	25,000
Net profit	14,269	47,887
Prev. surplus	377,088	355,451
Adjustments	......	26,250
Forward	391,357	377,088

Inventories Much Heavier

Feature of the balance sheet at June 30, 1933, was the substantial increase in inventories and bank bills and current advances. Stocks of grain and coal increased during the year from $278,822 to $4,908,188 owing to the higher price of all grains and much heavier stocks. Bank bills and current balances advanced from $690,451 to $4,966,310. In his report the president points out that these loans are against grain which has already been sold for future delivery.

Funded Debt Figures

The company's net funded debt was reduced during the year from $2,836,000 to $2,699,000.

General mortgage bonds to the amount of $2,500,000 are still pledged with the banks as collateral security to the company's loans. The bond redemption reserve has increased from $54,914 to $82,601.

Few Minor Changes

Among the company's assets, aside from inventories, one of the principal changes was a reduction from $76,035 to $1,004 in the amount owing by the Saskatchewan Government Relief Commission. Other items show minor changes. Fixed assets are shown on the books at $6,531,919 net compared with $6,723,583 a year ago.

Comments on Position

In his comments to shareholders, H. E. Sellers, president, had the following to say in part:

"In the fall of 1932 three elevators in Saskatchewan and five in Alberta, located in poor crop districts were dismantled and moved to more advantageous localities. Two additional elevators in Alberta were rebuilt into modern plants. No elevators were moved or rebuilt in 1933. Agreements were entered into with other country elevator companies providing for the permanent closing of certain elevators at six points in Alberta now over-supplied with elevator facilities. Two of your company's elevators will be closed under this arrangement.

"The volume of grain available for handling this year will be greatly reduced with consequent reduction in revenues.

"During the fiscal year under review the Board of Grain Commissioners ordered a reduction in country and terminal elevator storage rates. The board subsequently recognized the inadequacy of the reduced rates and restored the old charges at the beginning of the current season."

East Kootenay Power Profits Hold in August

From Our Own Correspondent

MONTREAL. — Though gross revenues were lower, net income of East Kootenay Power Co. in August last was on about the same basis as in the same month a year ago. The company reports a total income of $35,467 last month as against $37,123 a year ago. Operating expenses were reduced, leaving net income at $25,081 compared with $25,732 in August, 1932.

For the five months of the fiscal year ended August, 1933, gross revenue totalled $169,009, expenses $55,418 and net income $113,591. For the corresponding period of 1932 gross income amounted to $179,613; expenses $56,482; and net income $123,131.

Walkerville Brewery Books Open to Oct. 5 on New Issue

Application for listing on the Toronto Stock Exchange of the new issue of fifty thousand no par value shares of common stock of the Walkerville Brewery, Ltd., Walkerville, Ont., is expected to be made at an early date, The Financial Post is informed.

Information is that the offering at $3.25 a share has been well received and that as a result the books will be closed at midnight on October 5.

Joins Duncanson, White & Co.

Duncanson, White & Co. announce that S. A. Mullin has joined the company and is now in charge of their Bond Department.

Mr. Mullin was connected with the Toronto office of Nesbitt, Thomson & Co. for a period of upward of ten years, most of which time he was manager of their Toronto office.

Public Utility Earnings

East Kootenay Power Co.

August	1933 $	1932 $
Gross Income	35,467	37,123
Oper. Expenses	10,386	11,391
Net Income	25,081	25,732
Five Months		
Gross Income	169,009	179,613
Oper. Expenses	55,418	56,482
Net Income	113,591	123,131

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Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Asks Overhauling and Unifying Of Canadian Company Laws

Higher Standards of Entrance Into Security Selling Profession Also Urged

By ROGER S. DAVISON

In the drafting of legislation which will give Canadian investors greater protection, recent federal legislation in the United States will provide some useful precedents as will the English Companies Act. But the relationship between capital and industry in this country will require a new and different approach to the problem of revising and modernizing our existing security frauds statutes.

Since Canada is young and possesses only a small population the reservoirs of capital have yet to be filled. For many years to come our constantly expanding industries must look to foreign investors for their capital requirements. Unlike England, where domestic capital is constantly seeking investment in foreign lands, and unlike the United States where American capital can adequately meet the demands of home industry, in Canada the savings of our own citizens supply only a part of the funds necessary to the opening up of our natural resources and the development of industry. It is desirable, as a consequence, that as little "red tape" as possible be attached to the issuance of new securities and the raising of capital generally. The influx of foreign capital should be facilitated, not impeded.

Need Investment Bankers

In view of the relative scarcity of capital seeking investment, in contrast to the overflow of funds in England, it is natural that the methods employed for securing subscriptions to public bond and stock offerings should be quite different from the practice in that country. In England the broker accepts subscriptions; in Canada the bond dealer must sell the bonds or the shares of stock. Our industrial enterprises would not be able to raise capital nor our governments and municipalities borrow funds for necessary public works, certainly at such low rates of interest, if it were not for the highly organized machinery of our investment banking business.

It is also to be expected that in a relatively new country a greater degree of risk will attend investment in industry. By the same token, especially where large and valuable natural resources exist, the investment is likely to result in a larger profit. A substantial part of investment except in government bonds, will be of a speculative nature. Losses due to unsuccessful operations are bound to result. Business enterprise is untried; large reserves have not as yet been put aside for the inevitable recurrence of bad times.

Two Classes of Investors

While there are many investors who will always welcome the speculative opportunities of new ventures, there are numerous individuals whose savings should be placed only in government securities or in those few tried and tested corporation bonds which provide almost equal safety. It is perhaps too much to expect that the security salesmen will always discriminate between those who should and those who should not risk their capital. It is also too much to expect that all such persons will themselves always follow the precepts dictated by experience and wisdom. But is it the duty of the state to guide their savings into safe channels?

Only a few bonds, and scarcely any stocks, may be truly regarded as permanently secure. The bonds issued by the Dominion of Canada, each of the nine provinces and a few municipalities are usually placed in this category. These bonds may justly qualify as trustee investments.

At the present time, however, Dominion, provincial bonds and the debentures of all Canadian municipalities rank as trustee investments. Obviously such a classification is absurd as several municipal issues are now in default while many others are of extremely doubtful value. If our trustee laws were revised to include only Dominion and provincial bonds, and possibly a few selected municipal debentures, it would be possible for conservative investors to rely upon this type of issue as a safe medium for their funds.

Label Trustee Issues

If at the same time the purchaser of every security offered for sale was told plainly that the particular bond or stock was, or was not, a trustee investment there could be no excuse for any investor mistaking a speculative issue for a safe one. The fact that the security was labelled "not a trustee investment" would be a warning to every investor that he, or she, should expect some risk and should not purchase the security until careful investigation had been made.

This phase of investment, viz., an effort on the part of the state to educate the public regarding the fundamental principles of investment, has been overlooked in the new American Securities Act and in nearly all existing legislation. One wonders if the public is not as much entitled to receive instruction in this important subject as in matters of health and safety? A few warning sign posts along the highways of finance, at the sharp turns and steep hills, might save many investors from serious accidents to their savings accounts.

Educating Salesmen

If there is any justification for the suggestion that the public should be given some training for investment there is much greater need for the education and possibly the professionalization of those who give advice concerning securities. While the "fly-by-night" stock pedlar has been almost completely run out of the country, the young and inexperienced bond salesman is a familiar figure and is also regarded as a menace by many investors who have lost heavily in recent years. The hope has already been expressed that the business of investment banking should be placed on the plane of a profession. While it may not be possible to establish an academic course in this subject, while it may be difficult to register bond men as we register lawyers and doctors, a reasonable period of training and apprenticeship should be a prerequisite to the selling of securities.

Would Bar Commissions

As one engaged in the investment business, I have no hesitation in saying that the payment of commissions to salesmen of bond and stock houses should also be prohibited. If the incentive to dispose of those securities which carry the most profit is largely removed, the investor is more likely to receive disinterested advice. Under our present system not only is there in some quarters a natural desire to sell the more speculative issues but it is frequently the case that too high a price for Government bonds and similar securities is charged. As there is no established market for bonds, as for most stocks, the selling price (and consequently the profit) is frequently determined only by the conscience of the vendor.

Suggest Bond Exchange

This situation, as well as the evils of competition which an uncontrolled market engenders, have led many members of the investment business to regard the formation of a bond exchange as desirable. There would thus be one price for all; while the profit to the security dealer would be set by the regulations of the exchange.

If a bond exchange were to be formed the bond houses would become brokers; with the exception that some of the larger establishments would retain their present practice of underwriting new issues. An exchange would tend to make the sale of fraudulent or unsound issues more difficult as the requirements for listing would eliminate many bonds which are now being sold to investors as safe investments. It is held by those who favor an exchange that a broader and more active market would thus be created for Canadian securities; and that the financing of industry would thereby be facilitated.

What Canada Needs

Practical considerations such as those which have just been discussed find no place in the recent "securities Act" in the United States. It was the apparent belief of those who drafted this bill that if company executives and bankers could be severely penalized for an untruthful statement the nation would be made safe for investors — intelligent or otherwise. However, as long as unscrupulous promoters can legally issue and sell the securities of unsound and over-capitalized companies—and at any price they choose, the position of the investor can never be satisfactory.

What we need in Canada is workable security legislation which would permit a wide degree of latitude in the flotation of new bond and stock issues, provide suitable penalties for misrepresentation and finally raise the standard of investment banking while, at the same time, educating the public to follow sound principles of investing.

To achieve the first aim it will be necessary to revise our various provincial "Company Acts" which now regulate the incorporation of new companies and changes in capitalization. A comprehensive new act, along the lines of the English Companies Act, may be the logical result. The features of the U. S. Act which requires that a company file detailed information with the central commission before floating a new issue of securities may properly be included.

Certain other features of the American Act may also be borrowed to advantage. These include the requirements with respect to prospectuses, advertising, tipster sheets and fraud generally. The penalties for misrepresentation or untruthful statements are harsh as to defeat their purpose and should be modified in the process of being transferred to this country. The common law right, possessed by any purchaser, which enables him to recover the consideration paid or damages if fraud can be proved, provides him with a reasonable degree of protection. If, added to this, our present Security Commissions were continued in office with powers to prosecute where fraud is suspected, or better still if they were combined in one Federal Security Commission, the investor should be adequately safeguarded.

It is surely unwise, as in the U. S. Securities Act, to give every purchaser of a new security the right to sue, not only the person from whom the purchase was made, but, in addition, all those connected with the issuance and flotation of the security. It is too much to expect that financial promoters should not only be their brothers' keeper but their brothers' guarantor as well.

It also seems reasonable that the loss recoverable by suit against the vendor of securities should be limited to the loss directly traceable to the untruth or misrepresentation alleged. The U. S. investor, if he can show lack of conformity with the provisions of the act, may sue for the full amount of the loss sustained regardless of whether or not the loss is the result of such illegality.

Ineffectual When Extreme

There are many instances of the ineffectual results of extreme or prohibitive legislation. The "18th Amendment" and many similar laws have signally failed to accomplish the purpose for which they were created. The whole trend of both civil and criminal codes has been toward less severe penalties. The war against lawlessness is being waged more and more with the weapons of education and enlightenment. The U. S. Securities Act seems to be a backward step in legislative progress.

It is not within the scope of this discussion to refer to all of the features of investment regulation which must be considered by those whose duty it is to face the problem. A number of the provisions which, to this writer at least, appear worthy of inclusion in some form in a comprehensive security act are, however, briefly mentioned in the summary that accompanies this article.

While many of these suggestions may prove impracticable, for the present at least, and certain points mentioned be incompatible with the other recommendations or with existing practice, it is believed that if the mistakes of the recent United States bill are to be avoided too careful an approach to new legislation cannot be made. Every possible angle of this extremely complicated and important subject should be explored by those who have had some experience in matters of industry, finance and investment.

Suggests Federal Commission

In the interests of thousands of individual investors it is essential that no further time be lost in providing for the new standards of investment which are so urgently demanded. What is the most efficient and expeditious method of accomplishing this.

Probably the best results would be achieved by the appointment of a royal commission or joint federal-provincial committee of three or five members to investigate all phases of the subject. It might well be the duty of this committee to investigate the condition of the investment market, particularly the relationship between security issuer and the public and between security dealer, or investment banker, and the public; and to bring in recommendations designed to protect the savings of the individual investor while at the same time facilitating the flow of capital into industry through the medium of long-term securities. The problem is complicated by jurisdictional problems between the Dominion and the provinces, which are no fatal bar to success.

To date state control of corporation financing and security investment has been largely a "hit or miss" proposition. It is time that the efforts of those who are interested in improving the situation should be co-ordinated and assisted by the proper authorities. Corporations, investment dealers and investors alike demand prompt and decisive action.

Fourteen Points in Plan For Protecting Investors

Concluding a comprehensive survey of legislation for the protection of investors in the United States, Great Britain and Canada, Roger S. Davison offers suggestions of features that might be incorporated into legislation or practice in Canada and its provinces. There is a practical background to these proposals. The name signed to the articles is the pseudonym of a partner of one of Canada's larger investment houses.

Mr. Davison's suggestions are as follows. The Financial Post does not necessarily endorse all of them but would be glad to publish comments on them.

1. Company acts and security acts to be revised or one new federal act substituted, so as to provide uniformity.
2. A Federal Securities Commission to be formed with broad powers. This would replace provincial securities commissions.
3. Through schools and Government literature public should be educated in fundamentals of investment.
4. Investment banking business to be raised to plane of profession by demanding higher qualifications for membership.
5. Security salesmen to be paid by salary only.
6. Company acts to require more information in case of public issues and in annual reports to shareholders.
7. Prospectus to be given to every purchaser in case of new issue.
8. All sales literature, with respect to new issues, to be filed with commission.
9. Every offering to state clearly whether security qualifies as trustee investment or not.
10. Civil liabilities for failure to comply with act to be based on existing common law. Purchaser to have right of rescission, or damages, from vendor only—or possibly from any member of original underwriting syndicate.
11. Purchaser to have right of suit only for damages actually resulting from untruthful statement or misrepresentation.
12. Investment bankers to be prohibited from underwriting issue of company in which they have a stock interest.
13. Investment trust companies to be under supervision of state in same manner as banks and trust companies. In particular there should be no connection between an investment trust and any security dealer.
14. A more uniform scale of commissions, or profits, to be set up with respect to purchase and sale of bonds and stocks not now listed. The formation of a bond exchange would accomplish this. It is important, however, that if an exchange is formed it be free from state control or regulation so that a free market may exist.

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Legality of Tax Questioned As Applied to C.N.R. Bonds

Deduction of the five per cent coupon tax on C. N. R. and other bonds held by Canadian investors has resulted in injustices being worked in some cases. A C. N. R. bondholder has written to The Financial Post stating that he has not received $22.50 for six months interest on a bond. The actual amount received in Canadian funds, after taking advantage of the exchange option, was only $22.24. The legality of the tax on these bonds is also questioned.

This bondholder complains that his C. N. R. security should not be liable to the tax. He says:

"On the face of the bond there is given the double pledge backed by the Dominion Government (1) that the owner would have the option of being paid in Canada in legal currency, or in U. S. funds at New York; and (2) that this payment would not be subject to any tax or Government charge 'under any present or future law or ordinance of the Dominion of Canada' or any province or municipality."

Claim it is Income Tax

The Government's view of the tax is that it is a special income tax, and does not, therefore, come under the exemption in the bond. Just as the holder cannot claim exemption from income on the bond in his income tax return, so, says the Government, he cannot evade a special income tax such as this.

The legality of the Government's view has not been tested. Some students of the question think that courts might rule that the pledge of the security has been violated.

Possibility of legal action against the C. N. R. on this count is removed for the time being by the change in the exchange situation. The Government amended the tax so that it does not apply to Canadians cashing cheques and coupons in New York funds, if the exchange rate goes below five per cent. Otherwise bondholders would get less than the face amount of the coupon. The intention of the tax was to levy from investors a share of their U. S. premium over and above the face amount of coupons. Since the exchange rate has moved below five per cent, the tax does not apply.

In the case mentioned above, however, the bondholder did actually get less in interest, after taking his exchange premium, than the face amount of the coupon. This is the way it appears to have worked:

How Bondholder Lost Out

The bond is fully registered. Under the amendment of the tax, exempting coupons and cheques cashed at less than five per cent premium, it was stated that the exchange rate prevailing 15 days before the due date would determine whether a tax deduction should be made. In this case the exchange rate on New York was six per cent on Aug. 15. So the tax was considered to be in force. In making out the cheque for $22.50, five per cent, or $1.12, was deducted. Thus on Sept. 1, the bondholder received a cheque on New York for $21.38.

The investor apparently cashed his cheque about Sept. 5, following Labor Day. The exchange rate was about 4¾ per cent, but the bank allowed only four, this being the practice in handling small cheques in branches. Thus the bondholders got only $22.24 interest instead of the $22.50, Canadian funds, called for in the bond. If he had cashed the coupon on Sept. 1, and received the full benefit of the five per cent exchange rate on that day, he would have collected only $22.45. But it would be difficult to get the full rate on a single small cheque from a bank branch.

Unforeseen Circumstances

The investor would have been better off had he been sent Canadian funds for the full amount. Doubtless this could still be arranged, but it would be troublesome. This appears to be a case of an injustice not intended by the Government. It was, of course, impossible to forecast that the exchange rate would fall from six to about five per cent between Aug. 15 and Sept. 1, and the Government probably thought it was conferring a benefit by sending a cheque for American funds. Bondholders could complain and get Canadian funds.

The bondholder in this case says:

"A cheque was sent for $21.38, payable in New York, with the note that the five per cent tax had been deducted. To me it seems that by this action both pledges are broken. The tax under the amendment of May 10, 1933, is made to apply, although the guarantee on the bond assured the purchaser that it would not. And the owner is forced to take payment by way of New York in a cheque that cannot be cashed for more than $22.24, while he was assured that he had the option of payment in full in Canadian funds.

"Am I right in saying this action amounts to default, however it may be disguised?"

Question of Default

Certainly in this case the bondholder has the legal right to return his cheque and ask for Canadian funds. But a New York cheque does not amount to default, as long as the holder can return it and get Canadian money for the full $22.50.

As to whether the tax amounts to default of the terms of the bond, it is for the courts to decide the question, which is: does the five per cent coupon tax constitute an ordinary income tax or is a special charge against the bond contrary to its terms?

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61 Years in Business

Capital $2,000,000—Reserve Fund $3,200,000.

Make Mortgage Loans on Owners' Homes at reasonable rates of interest.

ARCHIBALD McPHERSON, *President.* T. H. MAIN, *Manager.*

Rackets

Racket: "A trick, dodge, scheme, game, line of business or action."—Shorter Oxford English Dictionary.

Gold Brick Swindle

QUITE an influx of confidence men has been reported by various Canadian cities lately. The old gold brick swindle has been revived and successfully operated at Hamilton, Toronto and elsewhere as well.

* * *

Making Taxation a Racket

GOLD mining companies in South Africa urge that the Government is running a safe racket by taking in taxes one half of the profits made by the whole industry, but it also prevents expansion of the industry, they allege.

* * *

Life and Lashes Deferred

KIDNAPPING has not yet become a public menace in Canada as it has become in the United States. At a recent meeting of the Canadian Bar Association, A. G. Slaght, K.C., gave the report of the committee on the administration of criminal justice to the effect that life imprisonment with lashes should be made the punishment for kidnapping in Canada. The Canadian law, as it now stands, makes a kidnapper liable for imprisonment for 25 years under section 297 of the criminal code. Therefore, the Slaght suggestion would have necessitated an amendment to the criminal code if it had been accepted.

However, the proposal was shelved for twelve months after a lively debate. It was stated in the discussion that Canada, so far as the records revealed, has never had a kidnapping for ransom. Opponents to the Slaght proposal argued that certainty of punishment is a much greater deterrent than severity. The present maximum of 25 years was apparently sufficient to hold abductors at bay. There have been in Canada numerous cases of estranged parents spiriting away their own children and there have been kidnappings ending in murder. But the ransom feature has not yet entered the picture in Canada.

* * *

Preparing for the Fight

LAWYERS in the United States in convention at Bar Harbor were somewhat startled and disquieted by a speech made by Assistant Attorney-General Mallory in which he was understood to foreshadow the federalizing of the police force in the United States as a necessary step in the direction of apprehending kidnappers, catching racketeers and ending the reign of terror. Mr. Mallory stated that criminal lawyers made major changes in the criminal code difficult because they opposed changes that would mean loss of business to them. He insisted that suppression of flagrant, fundamental crime was an important part of the new deal.

Attorney - General Cummings, however, appeared later and stated that he did not intend to federalize the police force. The objection expressed by the lawyers had been that this would be overriding state rights. What he was doing, he said, was seeking co-operation between the United States and the local police forces on a basis of mutual helpfulness. He said his plan would be constitutional.

Later the Association of Attorney-Generals of the United States declared that they were ready to co-operate in every possible way in a campaign against rackets and kidnapping.

* * *

Absentee Philanthropy

BUSINESS men and particularly stock brokers in Toronto have recently been mulcted of loose change by a racket clever enough in its conception to bring results but not cleverly enough executed to prevent its "brains" and his pawns from being captured by the police. Assuring himself of the absence of a principal of a firm on holidays the master mind of the racket would phone the firm and ask for this principal. When an associate of the absentee explained that the latter was out of the city "master mind" would give some indication of a close friendship with the departed and would explain that they had been associated in helping some unfortunate who had just been able to secure a job but was in need of funds for clothes or railway fare in order to take advantage of it. The voice on the telephone would explain that he was temporarily embarrassed for funds and could not aid the unfortunate and had hoped that the one who was on his holidays could do the good deed.

The real business associate of the absent philanthropist often consented to advance funds and a short time later the object of the charity would appear in the office to collect anything from 25 cents to $5. The fraud would not be detected until holidays were over and then it would be diffiicult to find the racketeers. Downfall came, however, when the same racket was attempted twice in the same office and another collector tried a cold canvas without the telephone preliminary. Cross-examined, the last collector broke down and confessed the racket and led police to the ring leader who is reported to have been employed formerly in a brokerage house where he picked up some knowledge of the various brokers in Toronto and the names by which they are known among their familiars. This man had several collectors working for him and the extent of the business done is indicated by the fact that one of the collectors had made some eight calls in one day.

* * *

Underworld Levies Heavy Taxes

SENATOR ROYAL S. COPELAND, chairman of the Senate Committee on Racketeering, asked the American Legion the other day to join the war against rackets and gangsterism. He told the legionnaires that everything they ate and wore, as well as their pleasures, were taxed by the underworld. He asked the legionnaires to support him in a policy of having fingerprints of every American citizen and better control of firearms. The domestic industry sent out about half a million pistols annually. The sub-calibre machine gun should be absolutely prohibited as it had no military use and no sporting use. It was essentially the weapon of the gangster. Eighty-seven such guns made in New York had been found in private hands in Chicago. He also favored an American Scotland Yard with greater freedom of action on the part of federal investigators.

Enquiries

Abitibi Power & Paper

We will appreciate any information as to when payment of interest which is in default on 5 per cent bonds due 1953 of Abitibi Power & Paper Co. may be expected. Is there any likelihood of re-organizing and a reduction in the principal amount of the bonds outstanding?

For more than a year the protective committee for the Abitibi Power & Paper Company five per cent bonds due 1953 has promised an early proposal for reorganization in case it got a sufficient majority of bonds to make it advisable. It is likely that in the interim the committee has been quite satisfied to have G. T. Clarkson, receiver-manager, continue to manage the affairs of the company. In a report as to the financial situation of the company as of Sept. 10, 1932, he made it apparent that there are three high cost mills which could be abandoned with profit, there are power contracts which should be cancelled, if possible, and there are many other problems.

It is doubtful if the committee would care to put out a proposal for reorganization until there is more stability in market conditions. The National Recovery Act of the United States requires the newsprint manufacturers of the United States to prepare a code. They have prepared three codes, but the publishers have been fighting their proposals as they do not care to have a monopoly established there. Much will, therefore, depend on the ultimate code adopted and of proposals to make it effective. There is a great deal of United States capital in the newsprint industry of Canada and it will no doubt try to have fair play for the industry here. Until that situation is developing along more or less stable lines it cannot be expected that the Bondholders' Committee will make any proposals. It is hardly likely either that bond interest will be resumed until the situation is clarified.

Since December 31, no statement has been made by the receiver manager as to how earnings have been going. It is understood that they have been better in recent months because of the heavier advertising appropriations of United States companies and the larger size of United States newspapers. If this continues, the position will improve, but both volume and prices will have to be much greater than now to make payment of interest on these bonds possible continuously and certainly.

Brazilian

I have some Brazilian common stock. What do you think of it?

One has to pay more attention to the condition of Brazil where Brazilian operates than to the position of the company itself. The company's financial and operating position is good. Apparently, its earning power within the country itself is excellent. However, under present conditions it is almost impossible for the company to obtain sufficient money to pay dividends. It has to apply to the Central Bank whenever it desires to get Canadian dollars or any other currency for export. It may take some years for Brazil to get back into a position where its money is once more a free currency and easily exchanged into currencies of other nations. It is a country of immense resources but the present position is rather embarrassing from a financial point of view. It has a tremendous surplus of coffee and by burning and other means this must be reduced to somewhere near world demand before prices rise and the international position of Brazil is improved. At the moment its coffee destruction totals have been doubled and a large new crop on July 1 is somewhat balanced by news of drought which may affect the next crop deleteriously. The government also proposes widespread uprooting of old trees as a measure against overproduction.

Ford of Canada

I have held Ford of Canada "A" since 1929. Should I continue to hold?

Ford of Canada's present sales are not believed to be high enough to provide earnings sufficient to warrant an early expectation of dividends. One who buys or holds this stock does so because he expects there will be a great improvement as purchasing power of the general public grows larger. His reason for thinking this is that the company in the past gave an excellent account of itself in most good years until 1928 and after its change over from the old style of cars to the new, it had one or two good years before the depression cut off good business. It has stronger and more able competition than ever in its history but Ford has a strong financial position, large, excellent affiliations with other Ford companies in the world and has excellent automobile engineering advice on the production end. Whatever may be its experience in any one year it has been, remains and probably will continue an entity which has to be reckoned with in the industry and which in good years will show exceptional results.

Imperial Oil Group

I hold 520 shares Imperial Oil, 100 shares Standard of New Jersey and five shares of International Petroleum, as well as other stocks. I have had a loan of $6,000 against these stocks since 1930, and the dividends have been sufficient to keep interest paid, until Jersey cut its dividend last spring.

It has come to the place where I must either switch to some stocks which do pay enough dividends to carry the interest, or clean up my loan entirely. I had been thinking some of switching my Imperial Oil for International Petroleum, which would be agreeable to my banker.

But, in any case, please give me your best advice. I would like to get into something which would make me some money and keep reducing my loan.

Imperial Oil is the leading company in the oil industry in Canada. It has a very strong financial position and although its earnings for the last four years have been declining steadily with relation to the common stock this has been because 68 per cent of the dividend on that stock is paid from earnings outside of Canada.

International Petroleum earnings in Peru and Colombia have been affected by the declining world prices in recent years for crude petroleum. In the last few weeks, prices of crude petroleum in all parts of the United States have been rising and that is of great interest to International Petroleum as its price is based on the mid-continent price in the United States. This gives some hope of increasing earnings from outside Canada for Imperial Oil, although it may not make much difference in 1933 as from now on the tendency is to declining consumption in winter months. However, this company being the leader in its line and financially so strong, has excellent opportunities as general business gets better in the world and there is greater demand for oil products. That, of course, also affects the situation of its parent company, Standard Oil, of New Jersey, which is the leader in the United States and, therefore, in the world.

International Petroleum does not publish financial statements. Earnings only appear as they are incorporated in that of its parent company, Imperial Oil. Obviously, the wells in operation over its whole career have earned a great deal of money.

Since the oil code was written in the United States, gasoline prices in the United States have gone up more than a cent a gallon and Standard Oil of New Jersey has raised its prices. There is a tendency for oil companies throughout the United States to be optimistic as to the effect of operations under the N. R. A. and its success in limiting production of crude petroleum. If they are right, Standard Oil of New Jersey's earnings position may improve. Much will depend, of course, on the continued success of the business revival which has had quite a good beginning in the United States. The rate of revival is halting for the moment, and much is made of this by many critics of the administration's programme. Many other stimulating measures will have to be undertaken in order to make it successful. But before these are taken no one can express too decided an opinion about them or their probable success. Certainly, the situation of the oil business in Canada will reflect both costs of crude in the United States and changing purchasing power in Canada. It is thought that the increases to date represent most of the increases there will be until next spring. The fact though that there is generally a decrease in consumption of gasoline during the winter months may pull down prices a little.

The view is taken by British commentators that the Oil Code will work out most favorably for producers of crude petroleum. Increases in gasoline prices may only take into account higher crude prices and give no more profit. On this reading International Pete may profit far more than any other department of Imperial Oil's activities.

Quinte & Trent Valley

Has the reorganization of Canadian Paperboard Co. strengthened the position of Quinte and Trent Valley Power Co. first mortgage bonds? Is there a reasonable chance of interest on the bonds being resumed in the near future?

Quinte and Trent Valley Power Co. bondholders agreed last June to postpone all interest due between January 1, 1931 and July 1, 1934, until the latter date. But it is unlikely that the full arrears will be paid on July 1, 1934.

If Canadian Paperboard is able to resume operations as a result of its reorganization, then there is a better chance that Quinte and Trent Valley Power Co. will be able to earn interest on its bonds. To this extent the reorganization may have strengthened the power company's position.

Quinte and Trent Valley Power Co. is not earning its interest at present, it is understood. The company sells power in some of the municipalities in the neighborhood of Frankford, Ont., but this does not supply sufficient revenue to enable it to meet fixed charges in full. It requires operation of the Canadian Paperboard enterprises to allow this. Thus, until the paper operations are resumed, bondholders do not appear to have a very good chance of getting interest in full. And there is understood to be no chance of getting anything until the agreement of bondholders to postpone interest expires on July 1, 1934.

Gypsum, Lime

Would you be good enough to let me know the position of Gypsum, Lime and Alabastine at present and whether or not the company is earning its bond interest?

Gypsum Lime and Alabastine did not earn its bond interest in 1932. In the annual report it was stated that the management might put before the bondholders some plan of reorganization. Such a step has not been taken and bond interest has been met during the current year.

At the beginning of 1933 the management prepared a budget on estimated sales and expenses. We are informed that results to date have been somewhat better than anticipated in this budget. This does not necessarily mean that the company earned its bond interest, but indicates that the company was able to hold its position, if not improve it.

Prosperity of this company, of course, is largely dependent upon building activity. There has been a slight improvement in this industry of late, but the dollar value of new work undertaken is appreciably less than that prevailing prior to the collapse of business in 1930.

United Amusement

Will you be good enough to let me have your opinion on the common stock of United Amusement?

Earnings of United Amusement Corp. are entirely dependent upon conditions in the City of Montreal and the passing of dividends due on March 15 this year is an indication that earnings have not been maintained at the level of the previous year. Given improved purchasing power in Montreal the company will undoubtedly profit and dividends should be resumed.

Winnipeg Plans Fur Sale

The first International Fur Fair is to be held in Winnipeg, December 4 to 9. Fur farmers and ranchers from all over Canada and the United States are co-operating as well as the respective Governments. Fur buyers from all parts of the world are expected to be present.

Bank Chat on Current Topics

BANK STATEMENTS BUILD CONFIDENCE

THE recent investigation of Canadian banking by the Macmillan Commission brought forth practically no criticism of Canadian bank statements which is, in itself, a commentary upon the completeness of the figures made public each month through the Federal Government and the annual statements submitted to shareholders and the public by the banks. The suggestion was made that figures on loans and deposits should be broken down to give provincial totals but Jackson Dodds effectively pointed out that any geographical analysis of loans is misleading in that loans made to national organizations in the central area may be used to finance activities in all sections of the country. Loans originating in one province may be entirely used in another.

It is highly probable that the completeness of banking figures available in Canada has had much to do with the confidence that Canadian depositors place in their banks. While the ultra-conservative statements of the Canadian banks include no valuation for confidence and goodwill, these assets are among the most valuable that the banks possess. In the United States where confidence has been disrupted by numerous bank failures it is interesting to note that pressure is being applied with the object of improving bank statements.

The Irving Trust Co., widely known and highly regarded, has been devoting a series of advertisements to the building up of an intelligent public understanding of sound banking principles. One advertisement in this series includes the following sentence:

"With the exception of transactions with customers and their accounts, the greatest possible publicity should be given to the transactions and state of these banks, as nothing would tend more to produce good management and give general satisfaction to the public, or check a vicious or improvident system of banking."

That this was written in 1837 and appeared in a statement made before a committee of the British Parliament investigating the British joint stock banks does not alter its present truth. The "American Banker," commenting on this quotation, says that "British and Canadian banks still print statements that leave no doubt as to the position in solvency of their balance sheet," believes that as far as publishing comprehensive statements is concerned banking in the United States is back in the dark ages. "The simple way to get more safe banks lies in the simple method of issuing more detailed bank statements."

Staff Changes

The **Imperial Bank** announces the following staff changes:

J. W. McDiarmid, formerly manager, Athabasca, Alta., has been appointed manager, Prince Albert, Sask.

J. G. DEACON, formerly manager, Edson, Alta., has been appointed manager, Athabasca, Alta.

H. C. MacDONALD, formerly manager, Redcliff, Alta., which branch was recently closed, has been appointed manager, Edson, Alta.

The **Bank of Montreal** announces the following staff changes:

J. C. DAVELUY, manager at Beatty and Verdun Ave., Verdun, Que., to Wolfe and St. Catherine Sts., Montreal, as manager.

J. M. A. MONARQUE, manager, Outremont, Que., succeeds Mr. Daveluy as manager at Verdun.

G. J. NOONAN, manager at Barry's Bay, Ont., becomes manager at Grand Falls, N.B.

M. H. HAY, accountant at Cornwall, Ont., is appointed manager at Barry's Bay.

F. G. BELCHER, assistant superintendent of Ontario district, Toronto, is appointed superintendent of Saskatchewan district with headquarters in Regina.

D. M. CLELAND, assistant superintendent of Alberta district, Calgary, Alta., is appointed assistant superintendent of Toronto district.

H. N. BECKER, superintendent's department, Toronto, is appointed manager at North Bay, Ont.

N. T. BROWN, superintendent's department, Vancouver, is appointed manager at Ashcroft, B.C.

G. ADAMS, manager at Ashcroft, B.C., is appointed manager at Revelstoke, B.C.

The Royal Bank announces the following staff appointments:

R. CAPSTICK, supervisor's department, Calgary, has been appointed manager at Camrose, Alta.

J. W. FLETT, Otterville, goes to Mount Brydges, Ont., as manager.

J. V. B. SAINT-CYR, St. Lawrence and St. Zotique, Montreal, branch, goes as manager to Montreal East, Que.

H. VICKERSON, accountant, Calgary, has been appointed accountant at Edmonton, Alta.

W. V. G. NEISH, Montreal, has been appointed manager at Sherbrooke and Montclair branch, Montreal.

W. BEATTY, of Mount Brydges, Ont., branch retired on pension on September 13.

The Canadian Bank of Commerce reports the following staff changes:

J. H. HEGAN, accountant at Ottawa, has been appointed special representative at London, Eng.

J. SHAW, accountant at London, Eng., has been appointed accountant at Ottawa.

Current Banking Events

Elect Senator Wilson Head of French Canadian Bank

Widely Known Quebec Financier Succeeds to Presidency — Beaudry Leman Promoted to Office of Vice-President

From Our Own Correspondent

MONTREAL.—Senator Joseph M. Wilson has been elected president of the Banque Canadienne Nationale, succeeding the late Hon. F. L. Beique, while Beaudry Leman, general manager and director, has been named a vice-president.

Long an outstanding figure in Canadian finance, the appointment of Senator Wilson to the presidency of the bank was not unexpected. He served as a director of the old Banque d'Hochelaga for a number of years and when that institution was merged with the Banque Canadienne Nationale a number of years ago he became a director of the reorganized bank. At the end of 1928 he was appointed vice-president.

Scottish-French Descent

The new president is of Scottish-French descent. His grandfather came to Canada when a young man and married into French-Canadian family, hence the Anglicized name. He was born at Ile Bizard, near Montreal, on December 26, 1860, and was educated at the Plateau Academy in Montreal. In 1879 he entered the service of Dufresne and Mongenais, one of the leading firms of that day in the wholesale grocery and spirits business. Ten years later he was made a partner, and the firm name was successively Mongenais and Boivin and Boivin and Wilson. In consequence of his prominent connection with the wine and spirits business he was active in the establishment of Melchers Distillery at Berthierville, and was also connected with the Frontenac Brewery.

The foundation for Senator Wilson's business success was laid in the wine and liquor trade in the years when private business enterprise dominated the wholesale handling of those commodities. As that class of business passed out of existence with several changes in the liquor laws following the period of prohibition during the war and after, Senator Wilson found time to interest himself in other directions, and his business ability charted him for membership on the boards of directors of a number of corporations of varying descriptions.

On Many Directorates

He was at one time a director of Montreal Tramways, but resigned in July, 1924. He was also director of Detroit United Railways when that now defunct company had a large number of shareholders in the Province of Quebec. He is president of the Windsor Hotel Co. and the General Trust of Canada, a director of the Fourth Canadian General Investment Trust, George A. Fuller Co. of Canada, Montreal Light, Heat and Power Cons., Title Guarantee and Trust Co. of Canada, Confederation Investments, Montreal Island Power, etc.

Senator For 22 Years

For the past 22 years he has been a member of the Canadian Senate, having been appointed in May, 1911, to fill the vacancy caused by the death of Hon. L. J. Forget, who was acknowledged over a long period of years to have been one of Canada's most capable financiers.

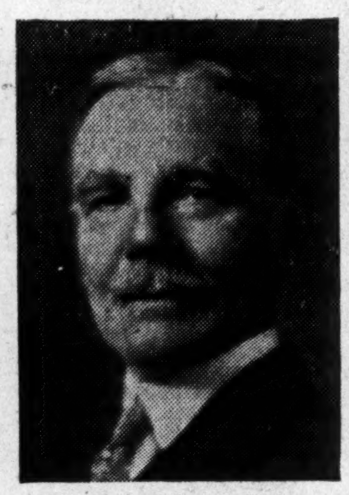
Apart from his business relations the Senator has attained a reputation for wide interests in educational, charitable and other desirable departments of a community's welfare and progress.

Interested in Social Work

Some years ago, Senator Wilson took a prominent part in raising a subscription for the purpose of founding a hostel for Canadian students in Paris. This was accepted through the French Minister of Public instruction, the sum of 2,600,000 francs having been raised.

He was keenly interested in the affairs of the University of Montreal, and when it was decided to erect a new group of buildings on the slope of Mount Royal he was one of the leading donors, heading the list with a subscription of $100,000.

New Bank President



SENATOR J. M. WILSON

Who succeeds the late Hon. F. L. Beique as president of the Dominion's largest French-Canadian bank.

Branch Changes

The Sandwich, Ont., branch of the Canadian Bank of Commerce will be operated as a sub-branch under the supervision of J. R. Higgins, manager of the London St. branch, Windsor, Ont., G. E. R. Gauvin will continue as officer in charge at Sandwich sub-branch.

Scotland Likes Bacon

Imports of Canadian bacon by Scotland in the first six months of the year amounted to 3,270 cwt., as compared with 91 cwt., for the corresponding period of last year, it is reported by the Dominion Bureau of Statistics. The import of hams was 5,946 cwt., as against 732 for the first half of 1932.

Rehabilitate Oyster Industry

Efforts to rehabilitate the oyster industry at Malpeque Bay, Prince Edward Island, are proving highly successful, according to Dr. W. A. Found, Deputy Minister of Fisheries.

Foreign Exchange

WEAKNESS of United States dollars, and comparative strength of Canadian dollars and sterling, was only slightly abated in the week ended Sept. 25. Francs were subjected to additional strain as the dollar sank below 65 per cent of its gold value. Gold has been flowing from France to London, and the premium for bullion in London over franc parity has been maintained. This situation is interpreted to indicate that France will be forced off the gold standard.

Sterling has been steady, at or above par in Canada. Canadian dollars have been holding close to par in the United States. These positions are thought by some economists to represent unnatural levels. Ordinarily the Canadian dollar holds even with the American unit chiefly on the strength of loans from that country. Lending having dried up and sales of Canadian securities having come from the United States, the situation is a striking demonstration of lack of faith in the American dollar. However, inflation by the printing press method appears to have been turned down by Washington, at least temporarily.

* * *

THE threat of expatriated American balances, mentioned previously in this column, still exists. The implications of this and the position of the gold franc are discussed elsewhere in this issue.

FOREIGN EXCHANGE

New York Funds

	High (Premium) %	Low (Premium) %	Last Year High (Premium) %	Last Year Low (Premium) %
Sept. 19 ..	2 1-4	1 13-16	11	10 3-4
Sept. 20 ..	2 1-4	1 1-8	11 1-2	10 7-8
Sept. 21 ..	2 7-16	2	11 1-2	11 1-4
Sept. 22 ..	3	2 1-8	11 3-8	11
Sept. 23 ..	2 1-4	2 1-8	11	10 3-4
Sept. 25 ..	2 1-2	2 1-4	10 7-8	10 3-8

STERLING, FRANCS AND LIRE

Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Sept. 19 ..	4.78 1-2	.0603	.0808
Sept. 20 ..	4.82	.0611	.0820
Sept. 21 ..	4.78 7-8	.0607 3-4	.0815 3-4
Sept. 22 ..	4.78 1-2	.0606	.0813
Sept. 23 ..	4.79	.0608	.0816
Sept. 25 ..	4.74 3-4	.0599	.0804

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Sept. 19 ..	4.88 3-4	0.0616	0.0825
Sept. 20 ..	4.88 3-4	0.0618	0.0829
Sept. 21 ..	4.92 5-8	0.0625	0.0835
Sept. 22 ..	4.90	0.0622	0.0833
Sept. 23 ..	4.88 3-8	0.0618	0.0830
Sept. 25 ..	4.86 1-4	0.0613	0.0828

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
Sept. 19 ...	0.3740	0.2200	0.2909
Sept. 20 ...	0.3784	0.2205	0.2934
Sept. 21 ...	0.3823	0.2226	0.2910
Sept. 22 ...	0.3800	0.2213	0.2909
Sept. 23 ...	0.3773	0.2206	0.2900
Sept. 25 ...	0.3750	0.2180	0.2892

Weekly Bank Clearings

	Sept. 21 1933 $	Change yr. ago %	Sept. 14 1933 $
Halifax	1,985,533	+ 3.5	1,829,564
Saint John ..	1,464,648	+ 2.5	1,411,668
Moncton	683,832	+15.6	662,910
Sherbrooke ..	534,281	— 1.8	593,480
Qebuec	3,734,146	+ 4.7	3,683,608
Montreal	89,667,521	+15.2	80,416,556
Ottawa	4,075,593	— 3.1	3,461,356
Kingston	595,551	— 0.5	535,598
Peterborough.	622,655	+12.2	586,725
Toronto	101,678,097	+27.8	83,605,742
Hamilton	4,091,739	+ 3.7	3,655,855
Kitchener	908,774	+ 1.8	770,819
Brantford ...	730,990	+ 4.6	708,250
London	2,515,627	+ 4.0	2,156,661
Chatham	373,383	+ 1.1	....
Windsor	2,673,434	+24.7	1,876,929
Sarnia	355,843	— 7.7	332,031
Sudbury	531,599	+26.3	584,116
Fort William.	543,648	— 9.8	455,736
Winnipeg ...	73,561,428	+80.6	37,660,197
Brandon	334,316	—14.6	331,128
Regina	5,859,726	+29.7	4,564,876
Moose Jaw ...	592,238	—19.1	486,945
Saskatoon ...	1,292,514	+20.1	1,183,289
Prince Albert.	242,265	— 7.4	239,809
Calgary	6,104,324	+19.5	4,922,406
Edmonton ..	3,360,783	—11.5	3,189,357
Medicine Hat.	257,551	+18.5	235,445
Lethbridge ..	422,024	+18.7	356,387
N. W'minster.	414,593	+ 0.9	426,963
Vancouver ..	13,125,470	+ 8.8	13,143,010
Victoria	1,298,174	— 4.4	1,384,570

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INSURANCE SALES OF ORDINARY LIFE HIGH IN AUGUST

Month's Record Second Best Recorded This Year

With the exception of May, in which month sales were almost equal to the total recorded in May a year ago, ordinary life insurance sales in August show the best comparative record of the year, the total of $27,263,000 being less than 4 per cent below the corresponding total for 1932. While the August total is somewhat lower than that recorded in July, this decline is a seasonal one.

Figures for life insurance sales are compiled by the Life Insurance Sales Research Bureau of Hartford, Conn., and represent sales of ordinary insurance made by companies doing over 83 per cent of the total business in Canada and Newfoundland.

In some sections of the Dominion, August sales were actually higher than in the corresponding month of 1932. For example, in the Maritimes, sales exceeded those of a year ago, New Brunswick showing an improvement of nearly 19 per cent; Prince Edward Island of over 6 per cent and Nova Scotia over 1 per cent. British Columbia also showed an improvement of nearly 6 per cent. The decline is shared by the remainder of the provinces, Quebec being only 2 per cent below the August, 1932, total.

Decline For Year

For the year to date in Canada and Newfoundland there is a decrease of over $45,500,000, or 16.1 per cent. This percentage decline has, however been steadily reduced during the past six months. Sales during the period totalled $235,736,000, compared with $281,372,000 in the same period a year ago.

August sales by provinces compared with sales in the same month a year ago are as follows:

	Aug., 1933 $	Aug., 1932 $
Alberta	1,350,000	1,396,000
British Columbia	1,923,000	1,816,000
Manitoba	1,699,000	1,711,000
New Brunswick	830,000	699,000
Nova Scotia	1,018,000	1,004,000
Ontario	10,690,000	11,608,000
Prince Edward Island	100,000	94,000
Quebec	8,377,000	8,533,000
Saskatchewan	1,095,000	1,263,000
Newfoundland	181,000	246,000
Total	27,263,000	28,370,000

Slump in Sales Disability Cover. Being Corrected

Sale of disability insurance in connection with life insurance contracts is beginning to recover after the slump which followed the cancellation of the total disability income benefits when they were found to be unprofitable. While the former high level of about 50 per cent of policies having an added premium for disability insurance has not yet been reached, there is considerable improvement evidenced from the 5 per cent figure which was general following the cancellation of the total disability benefit, The Financial Post is informed.

There were two chief reasons for the great slump in disability insurance, the first being the obviously smaller benefits obtainable under the new contract and the second being the fact that agents were not sold on the value of the new contract after having sold the more impressive total disability clause. It is the correction of these beliefs that is accounting for the revival in this type of coverage.

While under the former contract companies found that they were losing money, 1932 returns showed that a profit was being realized on the new policy for the first time. Companies will, therefore, be quick to boost the sale of this type of coverage by pointing out to their agents the usefulness of automatically obtaining what amounts to a paid-up policy in the event of total disability.

NEW POLICY SELLS ON INCOME BASIS

Travelers Insurance Co. Introduces $100-a-Month Plan

The option of providing that insurance moneys that will be paid either wholly or in part at the rate of a fixed sum per month after death has been pointed by insurance companies to new policyholders for some considerable time. By this method monthly incomes, similar to that of the deceased, can be provided to enable the widow to carry on much in the same manner as formerly until some other financial arrangement can be arrived at.

Now, however, the Travelers Insurance Company have started a new drive with a policy designed specifically to provide a monthly income and in which there is no premium sum mentioned. This policy, known as the "$100 a month" policy, is the outcome of a general demand by the buying public for this type of insurance.

According to the company's agency bulletin the policy has been received exceedingly well and agents are enthusiastic.

While, as already stated, there is no premium sum mentioned, a cash settlement is provided at age 60 and the policy is sold on the basis of annual premiums to that age. Policies are sold providing for 12 monthly payments for $100 each and for multiples of these amounts in both months and dollars.

At age 25 the annual premium, payable to age 60, for $100 for 12 months is $19.42. For the second 12 months the premium is reduced to $18.76, while the premium for the third 12 months is $16.62.

The plan has further been extended to 20-payment life, 15-year endowment and 10-year endowment.

5% Instalment Savings Certificates

Under our plan as low as $2.52 per month will provide $1,000 in 240 months.

CONSUMERS FINANCE LIMITED
Head Office OTTAWA 159 Bay St. TORONTO

Ordinary Life Insurance*

	1928	1929	1930	1931	1932	1933
January ..	$47,569,000	$49,739,000	$45,074,000	$41,188,000	$37,331,000	$29,367,000
February ..	39,962,000	47,140,000	43,925,000	40,180,000	38,145,000	26,323,000
March	44,823,000	48,086,000	49,047,000	46,945,000	37,467,000	29,763,000
April	46,718,000	51,842,000	51,649,000	45,648,000	33,629,000	29,770,000
May	49,581,000	50,547,000	48,871,000	41,314,000	30,998,000	30,497,000
June	51,884,000	53,402,000	54,168,000	46,227,000	40,963,000	32,398,000
July	49,492,000	54,809,000	46,505,000	39,977,000	34,469,000	30,255,000
August ...	43,503,000	41,329,000	36,249,000	35,738,000	28,370,000	27,263,000
Sept.	38,872,000	43,013,000	38,994,000	30,066,000	25,207,000	....
October ...	55,743,000	50,894,000	44,527,000	36,006,000	29,858,000	....
Nov.	54,865,000	55,624,000	46,186,000	38,860,000	34,008,000	....
Dec.	56,647,000	54,189,000	49,026,000	47,163,000	33,483,000	....

Total, 1st 8 months, 1933 .... $235,736,000
Total, 1st 8 months, 1932 281,372,000

Decrease, 1933 to date, 16.1% $45,536,000
Decrease, August, 1933, from August, 1932, 3.9% 1,107,000

*By 14 companies having in force 83 per cent of total outstanding business in Canada. New paid for, ordinary business only. Figures include both Canada and Newfoundland and are prepared by Life Insurance Sales Research Bureau, Hartford, Connecticut.

HIGHER INVENTORY REQUIRES REVISION OF FIRE INSURANCE

Care in Selection of Risks Urged on Companies

Although, as yet, companies are only able to report a slight increase in fire insurance business being written, it is felt that continually rising inventory values will soon necessitate increased coverage and will mean the reversal of the trend of decreasing premium income so evident over the past three years. Increased inventories, both volume and value, are, however, a challenge to fire insurance agents.

From the viewpoint of the purchaser of fire insurance, the importance of ascertaining that the increased inventory value of plant, equipment or stock, if such has occurred, is not overlooked, must be stressed. A short time ago it was brought to the notice of The Financial Post that the insurance coverage in several fires which occurred in a western city was considerably less than the total loss—due almost entirely to the fact that fire coverage, reduced when stocks and values were low, had not been increased to cover current stocks.

Warns Fire Companies

With the field for fire insurance increasing as commodity prices rise, a warning against indiscriminate acceptance of risks is sounded in an article appearing in a recent issue of the Journal of Commerce, New York. In part, the article states:

"Now, with the beginning of the upturn apparently near, what are the companies generally going to do? Are these which strove for premium income going to resume their old policy, endeavor to increase agency plants and fashion their underwriting, collection and adjustments policies with a view to their influence on production, or are they going to pursue a more moderate course, select and supervise their agents carefully and make their chief aim underwriting profit rather than premium volume?

"The appreciation in the value of portfolios is not gain, but a reduction of loss, for it will be a long time before securities generally approach the 1928 and 1929 prices. It is not likely that for some time interest on investments will be as high as it has been for several years past. Underwriting must furnish a larger share of the profit than it did in the bull market days if a reasonable return is to be made to stockholders.

"There will be a temptation to increase income rapidly in order to bring down expense ratios, but if this is done by relaxing care in underwriting the gain on the expense end will be at least partially offset by an increase in loss ratios. Too rapid a rise in premium income will also increase unearned premium liability and interfere with making an underwriting profit on an earned and incurred basis.

Term Business

"In this connection also it is to be considered that companies now have more than the usual portion of their business on an annual basis and are getting the full rate for it. If, in an effort to increase premium income rapidly, they discount the future by encouraging the writing of business for terms they will reduce the average rate they are receiving and at the same time pile up unearned premium liability. This policy would bring in more money for investment, but many companies would be better off today if five years ago they had not had such large assets and corresponding liabilities. The liabilities did not shrink when the market broke.

"For the good of the business generally, it is to be hoped that a start toward a return to prosperity will not cause companies to forget the lessons the depression has taught. The starting of racing for volume even by a relatively small number of companies, with the accompanying loose methods, will undo much which has been accomplished in putting the business on a saner basis."

OFFER TO ACQUIRE GLOBE & RUTGERS

Trust Company Would Purchase Assets of Fire Co.

The Tri-Continental Corporation has signed a contract with E. C. Jameson, president of Globe and Rutgers Fire Insurance Company, and his associates to acquire their holdings in the fire insurance company, which at present is under the supervision of the New York Insurance Department, the New York Herald-Tribune states.

The contract becomes effective in the event that the court releases the Globe and Rutgers Fire Insurance Company from the rehabilitation order under which George S. Van Schaick, Superintendent of Insurance, has been acting as rehabilitator, and in the event that the Reconstruction Finance Corporation permits the conversion of the outstanding secured loan which it has already granted to the company in the principal amount of $10,000,000. Conversion would be accomplished through the purchase of Globe and Rutgers preferred stock by the R. F. C.

Negotiations between Tri-Continental Corporation and the New York Insurance Department have been going on, it is stated. Officials of the department and representatives of Tri-Continental and Globe & Rutgers conferred recently with R.F.C. officials to sanction the conversion through the purchase of preferred stock by the R. F. C. It is not known whether the government relief organization had approved the step.

New Brunswick's Minerals

New Brunswick's mineral production in the first half of 1933 was made up entirely of non-metallics — coal, $537,099; natural gas, $182,300; crude petroleum, $10,898 and gypsum, $32,194, making up a total of $762,491.

REPORT CONSIDERS OLDER EMPLOYEE

Problems of Superannuation Discussed in Special Report

The problem of what to do about the employee who has grown old in a manufacturing organization and whose ability to do his usual work has lessened with the passing years is one which many an industry is finding serious. Just what business executives are doing to solve this problem is told in a new report by the Policyholders Service Bureau of the Metropolitan Life Insurance Company, which presents the findings of a survey of the subject.

Five thousand manufacturing companies were asked whether they have definite plans for dealing with the problem of the older employee. Of those replying, 800, which employ more than a million workers, stated that they have such programmes in operation. These organizations told in some detail what they are doing. Details of these plans were tabulated, analyzed, and prepared for presentation. According to this report, discovery of problem cases is the first detail to be considered. Usually, mere observation by foremen or supervisors is sufficient. Some companies, however, have plans for a systematic review of the records of employees when they attain a specified age. These plans are detailed in the report.

The next step, according to the report, requires decision as to what procedure is to be followed. Some companies, it is found, make it a practice to continue these employees at the same job, generally with adjustment in hours, wages, or duties. Sometimes special mechanical aid on the job is provided. Other companies make it a practice to transfer the older worker to another job. The factors which affect the selection of these new posts are discussed in this report; typical transfers are cited and described. Some organizations, the report states, provide special medical and safety supervision for older employees. These are set forth in some detail.

A limited number of copies of this report entitled "The Older Employee in Industry" are available. As long as this stock permits, readers desiring copies will be supplied by the Policyholders Service Bureau, Metropolitan Life Insurance Company, 180 Wellington Street, Ottawa.

HAIL LOSS HIGHER THAN 1932 RESULT

Average of About Past Five Years Expected This Year

Hail insurance losses during the past season have been larger than in 1932, it being generally considered that a result about the average for the past five years is the best that can be expected. In 1932, the ratio of net premiums written to losses incurred was one of approximately 36 per cent while the result for 1931 showed a loss ratio of 84 per cent.

The early part of the year was not notable for any large losses and it was not until August that any devastating hail storms were experienced. Early in September there were also some storms in southern Saskatchewan which resulted in losses.

In 1932, there were 36 companies writing hail insurance in Canada, the total amount of net premiums written amounting to $921,183 while losses totalled $331,214.

Insurance Inklings

W. DOUGLAS MACKAY has been appointed manager of a new Winnipeg division of the Western Empire Life Insurance Co. Mr. Mackay was formerly manager at Brandon. P. J. Mandelli retains his position as manager of the senior Manitoba division.

E. REGINALD BROCK has been appointed secretary of the Montreal branch of the Great-West Life Assurance Co. Mr. Brock is a son of the founder of the company, the late Jeffry Hall Brock, and was formerly in the head office of the company.

RYRIE SMITH, C.L.U., has been appointed agency assistant in the King Street branch of the Mutual Life of Canada. Mr. Ryrie Smith is well-known in insurance circles, being president of the Toronto Life Underwriters' Association for 1933.

JOHN A. FISCHER, formerly inspector, has been appointed assistant secretary of the Waterloo Mutual Fire Insurance Co.

THE WESTERN EMPIRE
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

PROTECTION
THE ONTARIO EQUITABLE
LIFE AND ACCIDENT INSURANCE COMPANY
HEAD OFFICE WATERLOO ONTARIO

The satisfaction policyholders have in their contracts with this Company offers the basis of opportunity for its representatives. Assets exceed $8,200,000.

How $216,500,000 Canada Life Assets Are Safeguarded

DIVERSIFICATION OF ASSETS	% of Total Ledger Assets
Cash, Government and Municipal Bonds, Canada, United States and Great Britain	28.1%
Other Government Bonds	.6
Public Utility Bonds	10.3
Railroad Bonds	1.2
Other Corporation Bonds	4.4
Preferred Stocks	2.3
Stocks of Canadian Banks and Trust Companies	1.6
Other Common Stocks	.2
Mortgages	27.9
Policy Loans	18.3
Real Estate (including the company's Buildings)	5.1
(As at 31st December, 1932)	100.0%

Canada Life
Assurance Company
Established 1847

AN ALL-CANADIAN INSTITUTION

1866 1933

"We would respectfully ask your support for the enterprise in which we have embarked, as one that proposes good to the country, as well in the advancement of Art as in the encouragement of Home Industry. Long and intimate practical experience as Artists and Owners in similar Companies establishes our competency, and the patronage of the Government of Canada in the execution of Provincial Notes, Stamps, Bonds, etc., endorses our responsibility."

—Extract from circular letter issued by this Company, January 1, 1870.

The Ideals of 1870—Today

STRICT adherence to the early ideals and policies of this Company has made possible the continued fulfillment of the original well-founded claims to competency and responsibility. For 67 years this Company has produced quality bonds, postage stamps, bank notes, stock certificates, cheques and other safety requisites for Governments, banks, business concerns and municipalities.

British American Bank Note
Company Limited

1112 Bank of Hamilton Bldg. TORONTO
HEAD OFFICE OTTAWA
511 Place d'Armes MONTREAL

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
HEAD OFFICE FOR CANADA
HAMILTON ONTARIO
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST. ASSETS $4,616,449.70

BRANCH OFFICES
Toronto
Ottawa
Vancouver
Victoria
Edmonton
Calgary
Saskatoon
Winnipeg
Montreal
Quebec City
St. John
Halifax

ALL POLICIES NON-ASSESSABLE. PAYING DIVIDENDS RANGING FROM 20% TO 30%

Provide *FULLY* for Your Fire Hazard

Nor, of course, in the thousands you may lose, but in the few dollars required to protect those thousands. Enjoy the sense of security which comes with thorough coverage and dependable assurance of speedy settlement. All reinsurances are effected through Lloyds of London, England, and a deposit is maintained with the Federal Government, making your policy with this 49 year old Company absolutely secure.

PORTAGE MUTUAL INSURANCE CO. MUTUAL SERVICE WITH SECURITY
Est. 1884

The PORTAGE LA PRAIRIE
Mutual Insurance Company
Portage la Prairie, Man.

Fire - Automobile - Burglary - Windstorm - Plate Glass - Sprinkler Leakage

TORONTO VANCOUVER EDMONTON MONTREAL

BUSINESS MEN!

DRAFT YOUR CUSTOMERS

Older perhaps than any other feature of the business world is the custom of *draft and acceptance.* The seller draws, the buyer accepts—and the draft is a "bankable document". Drafts deposited with this Bank are promptly forwarded, promptly presented and promptly reported on maturity.

IMPERIAL BANK OF CANADA
HEAD OFFICE · TORONTO
Capital and Reserve $15,000,000

FRANK A. ROLPH, President
Col. J. F. Michie, Vice-President R. S. Waldie, Vice-President
A. E. Phipps, General Manager
230 BRANCHES THROUGHOUT CANADA

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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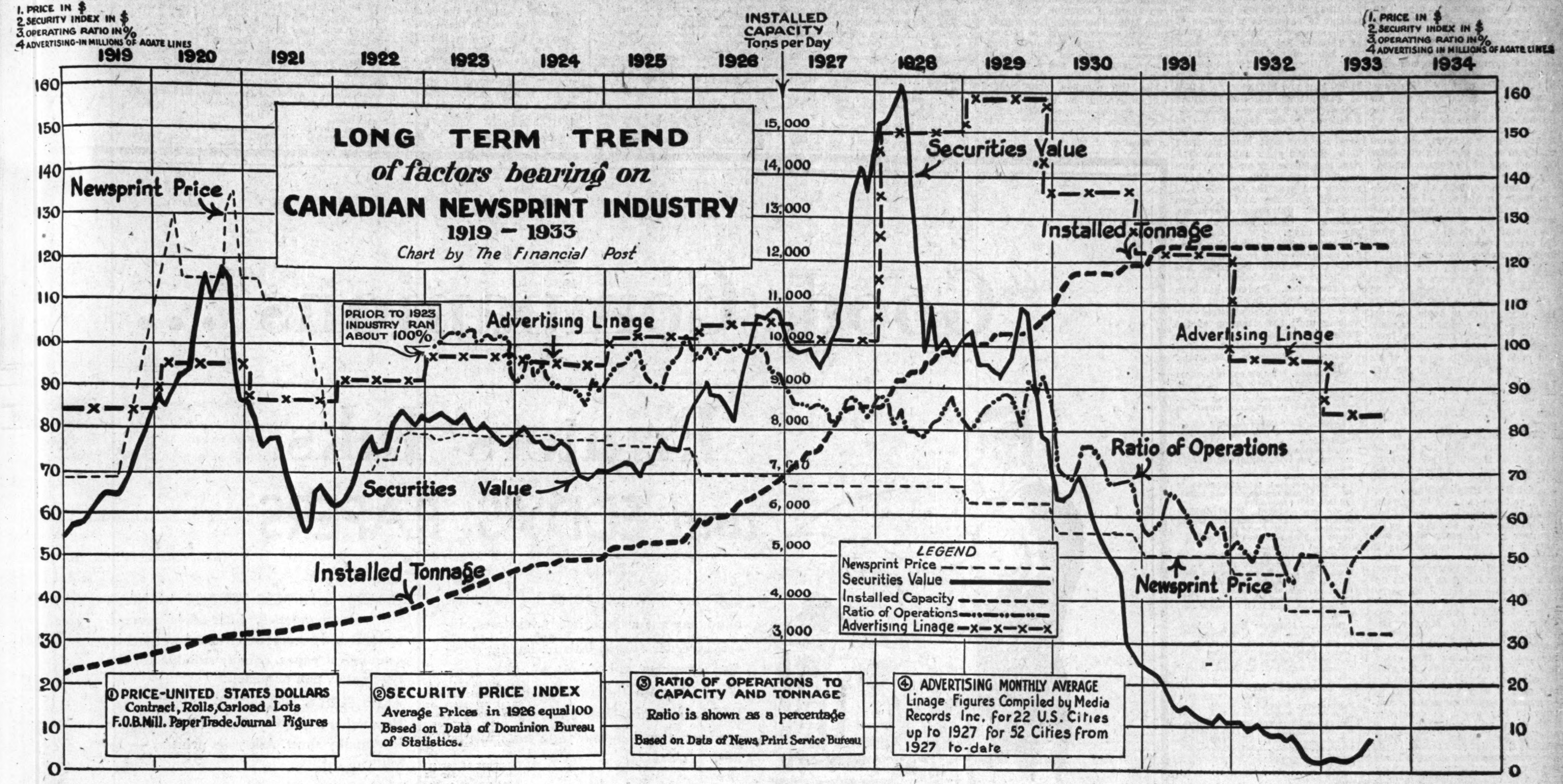
CANADIAN NEWSPRINT INDUSTRY STARTS LONG CLIMB UPWARDS



Pulp and Paper Trade Strengthens Position During Recent Months

Signs of Recovery More Apparent of Late

GOOD GAINS NOTED

Room for Improvement But Trend Holds Promise of Better Times Ahead

Definite signs of recovery have been noted in the Canadian pulp and paper industry in the past few months. While the gains recorded in the various major divisions of the industry have not been pronounced, with one or two exceptions, operations and earnings have been more encouraging. Part of the gain is attributed to seasonal influences, but beyond that there are indications of more returning betterment.

Leaving aside the newsprint division, whose problems are peculiar to itself, the pulp and paper industry troubles are common to those of other industries—a lower consumption with a restriction of business and manufacturing activity. The decline in sales has not been more pronounced than in other lines, but the decrease has been sufficient to provide the operators with financial problems.

Capital Returns Limited

Several of the pulp and paper producers have been forced into bankruptcy. Others have entered into moratorium arrangements with their bondholders, while many have been forced to defer payments on capital in order to conserve their liquid resources. Only a few have maintained distribution on their capital.

Aside from the newsprint division, the manufacturers of pulp and paper products have more than held their own in the past three years. Allowing for those who have got into financial difficulties through over-expansion or too heavy capitalization, the majority of operators have held their own remarkably well.

Sounder Operating Basis

Economies have been widespread. Production costs have been reduced to a level which would have been considered out of the question a few years back. The depression has forced the producers to thoroughly investigate their position and the result has been that the industry today is on a sounder operating basis than ever before in its history. Extravagances have been done away with, leaks have been stopped, and costs reduced to a basis where the manufacturers' products can be sold at a low price and still permit a reasonable profit.

The noticeable pick-up in sales lately, accordingly, has been reflected to a greater degree in the income account than would have been the case were operations continuing on the basis of those prevailing a few years back. Thus the restoration of earning power in the pulp and paper industry will be accomplished more quickly due to the fact that to restore earnings to their previous high level a smaller volume of business is required.

40% Idle Capacity Newsprint Machines

Canada with newsprint machine installations capable of turning out 12,450 tons daily, is estimated to have 4,980 tons of capacity idle at present. In the United States 2,240 tons out of 5,600 tons machine installation are calculated to be inoperative, while for North America as a whole, the latest estimate is that 7,600 tons out of approximately 19,000 tons are not in use.

This idle, or excess capacity is one of the greatest burdens carried by the industry. Some of the machines are antiquated, others are unfavorably located as to woods supply, while a number of the units are over-burdened with high power costs. An increase in demand will bring some of this idle capacity back into operation, but much will never be operated again unless prices rise to a level far beyond that now prevailing.

Sulphite Pulp in Lead

The greatest improvement in operations and earnings this year has been reported by the sulphite pulp division. Since the beginning of 1933 there has been a steady upward move in price and demand. Plant operations have been increased, until today they are at capacity. Mills at Kipawa, Hawkesbury, Saint John and elsewhere have been operating at capacity and prospects during the balance of the year are favorable. Earning power has jumped ahead and 1933 should be one of the best years experienced in the sulphite pulp division for some time.

Kraft Also Benefits

Sulphate pulp and kraft paper producers have also come in for their share of the returning prosperity. Kraft prices have been moving steadily forward for several months. Demand has increased and the operators' income accounts reflect the material improvement in this division.

Fine Paper Awaits Business

The fine paper division has not recorded any material change. There has been an improvement, however, and such producers as Provincial Paper, Howard Smith and its subsidiaries, Rolland Paper and others have benefitted.

Demand for fine papers is dependent largely upon the state of business. While certain lines have been more active, business generally has not reported more than a normal change due to seasonal conditions. Until such time as business confidence is restored and buying power again on the upgrade, the fine paper producers will have to bide their time.

Producers of building papers have experienced a sharp contraction in the volume of their business. New building has been of limited proportions for many months past. Prospects are not overly encouraging at this time, though there is talk of the Federal Government sponsoring a building programme as part of its relief work plans.

The companies engaged in this division of the pulp and paper industry are solidly entrenched. During good years they have built up strong financial reserves, so that they are now in a position of being able to carry on until such time as construction work resumes.

The paper specialty producers have experienced some contraction in the volume of their business, but the development of new uses and improved designs has enabled them to maintain their sales at a relatively high level. Competition in this division, especially from foreign sources, is especially keen. The Canadian manufacturers, however, have been able to hold their own.

Taken as a whole the Canadian pulp and paper industry has strengthened its position, both from the point of view of operations and finances, in the past six months. As mentioned considerable ground has to be recovered before the manufacturers are again in a strong financial position, but the improvement recorded so far leads to the hope that the industry has definitely made the turn.

Recovery of Pulp and Paper Industry Is Important Factor in Country's Welfare

Canada's pulp and paper industry was the first to go under in the depression and it may be the first to recover. Certain branches of the industry have shown a marked improvement in their operations over the last six months. Others have been able to record only a seasonal gain. Taken as a unit, however, the major divisions report current operations to be on a scale better than seasonal influences would warrant and better than that experienced in other lines of manufacturing activity.

Over-confidence and over-expansion of productive facilities far beyond normal requirements caused the pulp and paper industry to degenerate into a leaderless, bankrupt enterprise. Some of its troubles are to be attributed to the general collapse of business, but the major cause was the top-heavy structure created by promoters with the able assistance of the provincial governments.

Investments Shrink to Low Level

The last four years have witnessed a series of reorganizations, bankruptcies and receiverships of the individual operators. Many millions of dollars of capital have been wiped out, while the value of those pulp and paper securities in good standing is only a fraction of what the public paid for them five or six years ago. Nor have those companies that avoided defaulting on their obligations fared much better, for their finances have been so severely shaken that they no more than stave off receivership.

This was the situation in the Canadian pulp and paper industry at the beginning of the year. The radical elements had been weeded out of the executive positions and a saner attitude was being shown by those in charge as to the best way in which to put the industry on its feet. There was a tightening up in management, mill operations and sales efforts. The outlook for 1933, however, did not hold any particular promise.

Improvement Noted Since Second Quarter

Since the second quarter of the year there has been an appreciable change in the situation. The sulphite pulp division, in particular, has been most active. The newsprint mills have stepped up production until today they are operating close to 60 per cent of capacity. Sulphate pulp and kraft plants are doing better. The fine paper mills have strengthened their position, while the producers of specialties, in the main, have benefitted.

Some time will necessarily elapse before it can be said with any degree of positiveness that the industry "has turned the corner." The improvement already noted and prospects for the months immediately ahead would appear to warrant the belief that the industry is in for better times. Even those who were especially pessimistic on the outlook for the industry have been changing their views, while the greater confidence of those within the industry is an encouraging sign.

Stock Market Reflects Changing Trend

The improvement in operations and more confident feeling in the industry's recovery were reflected in the market value of pulp and paper securities. It is an old maxim that the stock exchange forecasts an improvement in an industry or a company's position long before that improvement becomes apparent to the public. The stock market has been surprisingly accurate in this respect. If this record of forecasting is maintained, then the pulp and paper industry is headed for better times. For some time past there has been an increasing interest in pulp and paper securities. While the interest to date is largely academic, it is noted that the Dominion Bureau of Statistics index on pulp and paper security values has shown an appreciable advance.

Many Obligations To Be Covered

These are the outward signs of the changing state of affairs in the pulp and paper industry. Back of the scenes is another picture. Four lean years have left the industry, particularly the newsprint division, with a burden of debts, deferred obligations and sadly depleted resources. With an upward move in earnings, surplus profits will be used to reduce bank indebtedness, to take care of deferred maintenance charges, to build up adequate reserves and restore working capital.

Fulfillment of these charges will absorb any increase in earnings for some time to come. The degree to which earning power may increase, provided that recent favorable factors continue, is difficult to forecast. It is to be assumed, however, that the time is still a long way off when holders of pulp and paper securities will receive an adequate return on their capital.

Recovery Will Help Many Communities

The return of more prosperous conditions to the pulp and paper industry will have an important bearing on Canadian business. Through the purchase of materials and supplies, as well as providing employment for thousands of workers, the industry is an important contributor to the country's general welfare. Particularly is this true of a number of communities in Ontario, Quebec, New Brunswick and other provinces where pulp and paper operations constitute the principal source of livelihood.

Newsprint Situation in Condensed Form

PRODUCTION

	1932 Tons	1931 Tons	Decrease Tons	Decrease %	January to August 1933 Tons	January to August 1932 Tons
Canada	1,907,566	2,221,4[illegible]	313,888	14.1	1,267,308	1,296,517
United States	1,006,569	1,157,4[illegible]	150,867	13.0	620,333	697,924
U. S. and Canada	2,914,135	3,378,890	464,755	13.8	1,887,641	1,994,441
Newfoundland	271,804	294,983	23,179	7.9	168,533	186,732
Mexico	12,683	15,195	2,512	16.5	10,849	8,687
North America	3,198,622	3,689,068	490,446	13.3	2,067,023	2,189,860

CANADIAN IMPORTS TO UNITED STATES

1932 Tons	1931 Tons	Decrease Tons	Decrease %	January to July 1933 Tons	January to July 1932 Tons
1,520,294	1,753,414	238,120	13.3	808,535	921,839

OVERSEAS IMPORTS TO UNITED STATES

1932 Tons	1931 Tons	Decrease Tons	Decrease %	January to July 1933 Tons	January to July 1932 Tons
143,671	151,064	7,393	4.9	84,534	89,308

ADVERTISING IN UNITED STATES (52 Leading Cities)

1932 Agate lines	1931 Agate lines	Decrease Agate lines	Decrease %	January to August 1933 Agate lines	January to August 1932 Agate lines
910,904,301	1,135,304,026	224,399,725	19.8	670,387,445	781,967,087

CONSUMPTION IN UNITED STATES

1932 Tons	1931 Tons	Decrease Tons	Decrease %	January to July 1933 Tons	January to July 1932 Tons
3,214,000	2,790,000	424,000	13.2	1,482,379	1,718,869

Newsprint Sales Up As U. S. Advertising Starts New Trend

Demand in July and August Best for Long Time

ENCOURAGING SIGNS

Opinion Growing That Industry Has Passed Through the Worst of Its Many Troubles

Canada's newsprint industry has a long way to go before it is out of the woods, but developments in the past year have combined to create greater confidence and the hope that the industry is on the way toward complete recovery.

It may be in time to come that last April will be looked back upon as the time when the industry started to recover. The price reduction brought home, more clearly than ever before, that the operators were cutting their own throats. No good could be effected by attempting to secure new business through price concessions, when the amount of business available was not sufficient to offset rebates given to contract buyers.

It was clear that the recovery of the industry was not to be accomplished by price cutting, but through an improvement in the demand for paper. The majority of the companies were bankrupt or had been through the hands of a receiver.

N. R. A. Affects Situation

Thus after the last price cut there was a lull in the situation. Then came President Roosevelt's nation-wide industrial recovery plan. The American newsprint operators banded together to draw up a code of fair competition as permitted under the N. R. A. The Newsprint Code has not yet been adopted by Washington. Various changes will likely be made, but eventually the majority of American newsprint producers will be operating under a common agreement.

This action on the part of the American producers has brought home to the Canadian operators the necessity of placing their own house in order that they may be able to retain their position in the United States market. The old policy of "dog eat dog" cannot be kept up if they are to continue marketing newsprint in the United States without coming into conflict with the terms of the Newsprint Code.

Operations Record Increase

Last month Canadian mills turned out nearly 200,000 tons of newsprint. This meant a mill operating ratio of nearly 60 per cent compared with around 50 per cent earlier in the year. Consumption at this time of the year shows a seasonal increase and if the trend of other years is followed, newsprint sales during the balance of the year will permit a further increase in mill activity.

Irrespective of the financial mess created by promoters and others, the newsprint industry in this country rests on a secure foundation. Vast supplies of high quality facilities; and proximity to the world's largest market for newsprint; all combine to place Canada in a favorable position to compete for a large share of the American market. Though prices have declined and a number of mills forced out of business, Canada can produce and sell newsprint in competition with any other country.

Advertising Gains Improve Outlook

One of the most encouraging factors in the current newsprint situation is the advance in advertising linage in 52 key American cities as reported by Media Records, Inc. During August the linage reported was larger than that for the same month a year ago; the first time an increase has been reported in more than a year.

Inasmuch as the volume of advertising regulates the size of a newspaper and in turn controls the demand for newsprint, the gain in linage during August is considered distinctly encouraging in viewing the outlook for newsprint operations during the balance of the year. Notable gains in production were reported in July and August and it now appears as if the remaining four months of the year will be on a basis comparing satisfactorily with the same period in 1932.

Source of Supply

Canada represents a permanent source for at least one-half of the United States' newsprint requirements. Even though the code enables the American manufacturers to run their mills at capacity, the United States publisher will still have to depend upon the Dominion for a large share of his requirements.

Depends on Demand

The complete recovery of the Canadian newsprint industry, therefore, depends upon the ability of the American publisher to increase his newsprint purchases. This is not a condition which can be artificially stimulated. But if the operator can continue to hang on, it is a matter of time only before the demand in the United States will allow the newsprint plants in this country to be run at their effective capacity.

When operations are again at 80 per cent of capacity, the majority of Canadian mills will be able to show fairly substantial earnings. The last three years have shown the producers what they can do when forced to reduce their operating costs. Newsprint can now be produced for almost half what it cost back in the halycon days of the industry. There is now a proper control over expenditures and given a sufficient volume of business, adequate profits can be made in the newsprint industry.

ABITIBI POWER AND PAPER

Bondholders' Protective Committee Awaits Favorable Newsprint Market and Success of Receiver-Manager in Eliminating Uneconomic Operations and Expenses

Abitibi Power and Paper Co., which resisted the depressing influences in the newsprint industry longer than most of the other Canadian leaders, has been operating under a receiver, G. T. Clarkson, since September 10, 1932. The immediate cause of this receivership and of the company being adjudged bankrupt on September 26 with F. C. Clarkson appointed liquidator to work in close harmony with his brother, G. T. Clarkson, was the failure of the company to pay interest on the first mortgage bonds since December 31, 1931, and its inability to make good its guarantee of the bonds of its former subsidiary, Ontario Power Corp.

On March 25, 1933, G. T. Clarkson made an analysis of the company's statement and showed earnings and working capital to have been greatly depleted in 1932 when the assets of the solvent Provincial Paper Company are eliminated.

Should Drop High Cost Mills

Abitibi dropped from a position of seeming high solvency in 1931 to a receivership in 1932 because in 1932 chickens came home to roost from the huge commitments made during the quick expansion fever period from 1928 to 1930 inclusive and most especially because of its engagements to buy Thunder Bay Paper Co. and to get somehow $5,000,000 to finish the Abitibi Canyon power project of Ontario Power Service Corp., now abandoned to the province.

The receiver-manager's report makes apparent that the company faces the necessity of deciding whether or not to abandon the high cost mills taken over with the Spanish River Pulp and Paper Company, as these can only be operated at a loss, and whether or not to lose the investment of $6,000,000 in the Thunder Bay property which now entails an annual expenditure in principal and interest of $400,000 to meet obligations incurred under purchase agreement as well as operating losses or shut down carrying costs. It would cost Abitibi Power $320,000 annually to continue to carry the Murray Bay Paper Mills, which have never been operated and consideration may be given to abandoning this enterprise. With two thirds of the mills closed down, shut-down expense in any case is very heavy, especially because of commitments of the company to buy power in connection with each mill and pay for it whether used or not. The Royal Bank is the chief creditor of Abitibi Power in connection with the Thunder Bay Paper Company purchase.

Because of commitments made in connection with expansion plans during and since 1928, the drop in newsprint consumption in the United States and the consequent drop in prices made the higher cost mills taken in, a load around the company's neck. A large percentage of the great piles of wood obtained at considerable cost for these higher cost mills has shown a large loss through deterioration.

Has Six Good Mills

The lowest cost mills of the company are the Iroquois Falls mill with a rated capacity of 186,000 tons per annum and the Pine Falls mill with a rated capacity of 78,000 tons per annum. The company's four other good mills are the St. Anne mill 186,000 tons per annum, the Thunder Bay mill 78,000 tons per annum, subject to payments of balance of purchase price for the capital stock of Thunder Bay Paper Co., Sault Ste. Marie mill 78,000 tons and the Fort William mill 52,000 tons per annum. The Murray Bay mill of 34,000 tons and Sturgeon Falls mill of 46,000 tons and the Espanola mill of 100,000 tons are of less efficiency. Of the 730,000 tons of capacity of the company, 264,000 tons are low cost manufacturing units, 286,000 other tons are efficient manufacturing units and there are 180,000 tons of "less efficiency." During the year the Ontario Government took the Abitibi Canyon project off the company's hands, exchanging Hydro bonds on a 90 per cent basis.

Investors are now awaiting plans for reorganization from the bondholders' protective committee and the preferred shareholders' protective committee. Business has been somewhat better lately but it is understood these committees are waiting until the situation of the market is stabilized.

Capitalization—	Authorized	Outstanding
Common n.p.v.	1,500,000 shs.	†1,088,117 shs.
Pref. 7% cum.	$ 1,000,000	$ 1,000,000
Pref. 6% cum. Par $100.	50,000,000	*34,881,800

* Including 792 shares deposited for exchange of shares of the Spanish River Pulp & Paper Mills.

† Including 1,891 shares deposited for exchange of shares of subsidiary companies.

Funded Debt—

1st Mortgage gold bonds, series "A," 5 per cent, due 1953; outstanding $48,267,000.

Dividend Record—

7 per cent preferred. Initial dividend paid Jan., 1917; paid regularly to and including Oct., 1931; none since.

6 per cent preferred. Initial dividend paid Apr., 1928; paid regularly to and including Apr., 1931; none since.

Common—None paid since Oct., 1928.

Officers and Directors—

Officers—George H. Mead, chairman of board; Alexander Smith, pres.; W. A. Black, v.-p; L. R. Wilson, v.-p. and man. dir.; W. H. Smith, asst. man. dir.; J. E. Patterson, mgr. of operations; T. Broadhurst, sec.; Howard Young, treas.; L. B. Popham, asst. sec.; D. J. Cormack, asst. treas.

Directors—Alexander Smith, Chicago, Ill.; Sir Thomas Tait, A. J. Brown, W. A. Black, Montreal; George H. Mead, Dayton, Ohio; George E. Challes, T. H. Watson, L. R. Wilson, W. H. Smith, S. F. Duncan, Toronto; W. H. Carter, Winnipeg.

Times All Interest Earned:

	1932	1931	1930
Before deprec. & depl.	0.81	1.93	2.65
After deprec. & depl.	0.53	1.46	2.05

Earnings per Share and Dividend Record:

7% Pref.: Earned ..	nil	$105.70	$267.67
Paid	nil	5.75	7.00
6% Pref.: Earned ..	nil	†2.83	7.47
Paid	nil	1.50	6.00
Common: Earned ...	nil	†...	0.47
Paid	nil	...	...

† After deduction of full year's dividends on senior stock or stocks.

Six Years Earnings:

Year	Earnings $	Dividends $	Surplus $
1927	*4,213,489	1,320,000	8,339,976
1928	7,380,964	3,964,178	59,145,391
1929	8,377,247	2,162,908	61,094,288
1930	7,374,337	2,407,908	61,609,365
1931	5,199,946	820,727	57,784,218
1932	1,005,823	......	55,459,501

* Prior to 1928, statements are not consolidated.

Market Record—

	*1933 H	*1933 L	1932 H	1932 L	1931 H	1931 L
Com. ...	4	¼	3¼	¼	13¾	2½
Pref.:						
7%	...	...	...	...	105	80
6% ...	10	1	10	1	50	6½

* To September 19.

PROVINCIAL PAPER

Maintains Strong Position and Earnings Exceed Interest

Although Abitibi Power and Paper Company has been operating under a receivership since September, 1932, its subsidiary, Provincial Paper, is understood to have maintained the strong financial set-up which it showed in a statement at the end of 1932, and to have maintained operations which are permitting its bond interest to be earned after depreciation and United States exchange.

Naturally, like other manufacturers and distributors of highgrade book, bond, coated and writing paper, Provincial Paper has found some diminution in business during the last few years in line with the drop in general business. On the whole, however, its operations are understood to have stood up quite well though July was the first month in 1933 to show an increase over the corresponding month of 1932.

The company has five plants, two at Georgetown, Ont., and one each at Thorold, Mille Roches and Port Arthur. The total capacity of all the plants is about 190 tons daily. It also leases 2,500 square miles of timber limits located north of Lake Superior.

Provincial Paper
(Controlled by Abitibi Power & Paper Co.)

Capitalization—	Authorized	Outstanding
Common* n. p. v.	100,000 shs.	100,000 shs.
Preferred 7% Par $100.	$3,500,000	$3,500,000

* Entire issue held by Abitibi Power & Paper Co.

Funded Debt—

1st Mortgage Bonds, series "A," 5½ per cent, due 1947, outstanding $3,874,500.

Dividend Record—

Preferred, 7 per cent per annum, payable quarterly, Jan., Apr., July and Oct. 1. Initial payment July 1, 1927, and quarterly since.

Common—$1.25 paid in 1930, $1 paid Jan., 1932; none since.

Officers and Directors—

Officers—S. F. Duncan, pres.; T. A. Weldon, vice-pres.; W. S. Barber, sec. and treas.

Directors—S. F. Duncan, T. A. Weldon, A. Smith, L. R. Wilson, A. F. White, E. R. Wood, W. H. Smith, G. Challes, T. Broadhurst, all of Toronto.

Times Interest Earned:

	1932	1931	1930
Before deprec.	2.57	3.77	4.34
After deprec.	2.15	2.57	3.25

Earnings per Share and Div. Record:

Preferred:			
Earned	$7.87	$9.29	$14.75
Paid	7.00	7.00	7.00
Common:			
Earned	0.30	0.80	2.71
Paid	1.00	nil	1.25

Six Years Earnings:

Year	Earnings $	Dividends $	Surplus $
1927*	774,123	163,333	72,927
1928	1,140,230	245,000	186,775
1929	1,136,088	245,000	526,243
1930	995,747	370,000	672,431
1931	782,784	245,000	752,570
1932	614,678	345,000	682,934

* For 8 months.

CAN. PAPERBOARD

Reorganization Plan Passed by Creditors in Early Part of Year

Approval has been given by bondholders, stockholders and creditors of Canadian Paperboard to the reorganization plan as presented to them early in May.

This plan provides for the setting up of four operating companies to take over the properties in Montreal, Toronto, Frankford and Campbellford. These units will be controlled by a holding company which in turn will issue preferred and common shares to Canadian Paperboard Co.'s creditors.

The holding company will have a capital of $2,500,000 of 7 per cent preference stock and 20,000 shares of no par value common stock. In addition there will be outstanding a ten-year obligation of $44,167 arising out of claims against the trustee by the Quinte and Trent Valley Power Co.

The reorganization plan provides that Canadian Paperboard bondholders will receive one preference share for each $100 of bonds, plus one share of common stock with each $400 of bonds; ordinary creditors will receive one share of common for each $100 in claims; preference shareholders will receive one new common share for each two shares of old preference held; while the common shareholders will receive one new share for each ten shares of old stock held.

Canadian Paperboard went into receivership in March, 1930, largely because of the construction of a plant at Toronto which the company was unable to finance at the time. The plants at Frankford and Campbellford were closed down and production concentrated in the Toronto and Montreal units. Various other economies were put in force by the receiver, but the results were not altogether satisfactory. Early this year it was decided to bring about a reorganization and the plan outlined above was presented to the creditors in May.

Canadian Paperboard's products comprise paperboard and container boards of a wide variety. Products are sold to a large number of industries.

Capitalization— (Old)	Authorized	Outstanding
Common	$4,000,000	*$2,100,000
Preferred .... Par $100.	1,000,000	402,600

*80 per cent woned by Northern Paperboard Co.

Funded Debt—

1st mtge. S. F. bonds, 7 per cent, due 1937, outstanding, $1,568,700 (principal and interest). Interest defaulted Apr. 1, 1930.

Capitalization—(After reorganization)—	
Pref. 7% .... Par $100.	$2,500,000
Common .... N.p.v.	20,000 shs.

Basis of Exchange—

The scale of distribution of the new holding company's stocks is as follows:

Bondholders—For each $100 of bonds and accrued interest, one new preference share; 15,687 preference shares. For each $400 of bonds and accrued interest, one new common share, 3,922 common shares.

Special creditors—Quinte & Trent Valley Power for claim against trustee, $44,167 cash, payable on or before Apr. 1, 1934, with interest at 5 per cent.

Ordinary creditors—For each $100 claim proved and admitted, one new common share; 5,786 common shares.

Preference shareholders — For each two preference shares, one new common share, 2,013 common shares.

Common shareholders—For each ten common shares, one new common share, 2,100 common shares.

Total distribution—$44,167 cash; 15,687 preference shares and 13,821 common shares.

Dividend Record—

Preference—7 per cent dividend cumulative from Jan. 1, 1936.

Officers and Directors—

J. G. G. Kerry, pres.; J. R. Walker, vice-pres., Toronto; D. F. Robertson, gen. mgr.; C. E. Whitten, sec.- treas. John Kerry, Stanley Johnston, Montreal.

DRYDEN PAPER

Better Demand for Chemical Pulp Proves Helpful to Company

Improvement in the kraft paper situation in both the United States and Canada is reflected in the strengthening of the current position of Dryden Paper Co. Between 1929 and 1932 the tonnage handled by the company dropped from 1,559,600 to 621,000. This decline was brought about by the smaller volume of business in the West.

During 1929 Dryden manufactured about 2,000 tons of bags, but in 1932 this division turned out only 512 tons, largely because of the diminished demand for cement. Business in flour bags has not materialized due to the drop in prices of cotton and jute. Trade in pulp with the United States, which amounted to 14,380 tons in 1929, dropped to 4,335 tons in 1932. This was due to the high premium on United States funds in Norway and Sweden.

Current Operations Larger

At the end of the first quarter of this year, Dryden was operating its plant at about ten to twelve days a month. Since that time there has been an improvement in the situation and operations are on a better basis. This is expected to be reflected in increased earnings during 1933.

Last year Dryden Paper did not earn enough to cover its bond interest, but the company's financial position was such that at the annual meeting last spring the president declared that the company was in a position to take care of its bond interest even under the conditions existing at that time.

Capitalization—	Autherized	Outstanding
Common .... n. p. v.	150,000 shs.	150,000 shs.

Funded Debt—

1st mtge S. F. gold bonds, 6 per cent, due 1949, outstanding $1,428,000.

Dividend Record—

None paid.

Officers and Directors—

Officers—J. H. A. Acer, pres.; F. A. Sabbaton, vice-pres.; H. Humphreys, treas.; E. S. Pincott, sec.; W. F. Robinson, asst. sec.

Directors—J. H. A. Acer, F. A. Sabbaton, G. Chahoon, Jr., P. A. Thomson, Dan McLachlan, J. B. Woodyatt, E. S. Pincott, E. R. Parkins, Montreal.

Times Interest‡ Earned:	1932	1931	1930
Before deprec.	0.68	1.06	2.16
After deprec.	...	...	1.04
Earn. per share	nil	†$0.025	$0.026

No dividends paid.

† Before depreciation.

‡ And U. S. exchange in 1932.

Seven Years' Earnings—

Year	Earnings $	Dividends $	Surplus $
1926	225,096	......	96,873
1927	276,035	......	158,763
1928	325,707	......	210,253
1929	351,823	......	151,704
1930	193,967	......	162,439
1931	95,311	......	167,750
1932	69,379	......	119,492

Market Record—

	*1933 H	*1933 L	1932 H	1932 L	1931 H	1931 L
Com.	7¾	¾	3	½	7	1½

* To September 19.

ANGLO-CANADIAN
PULP AND PAPER MILLS
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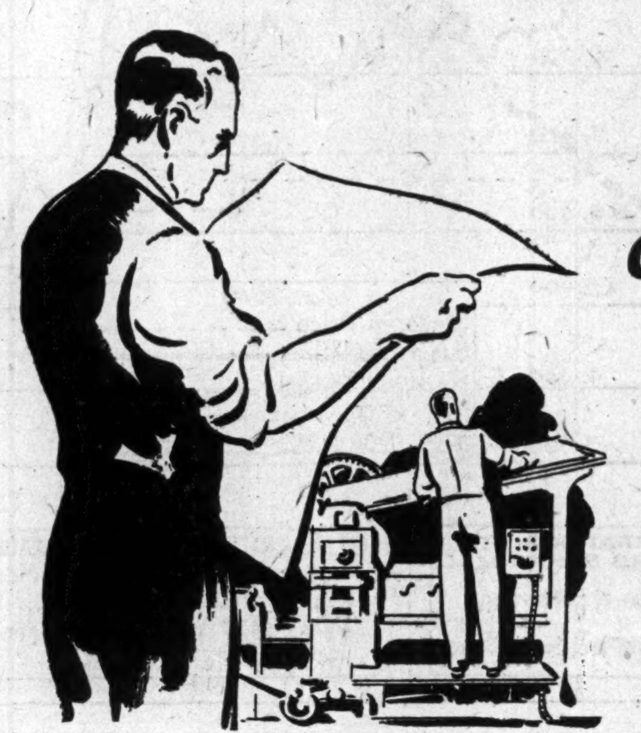

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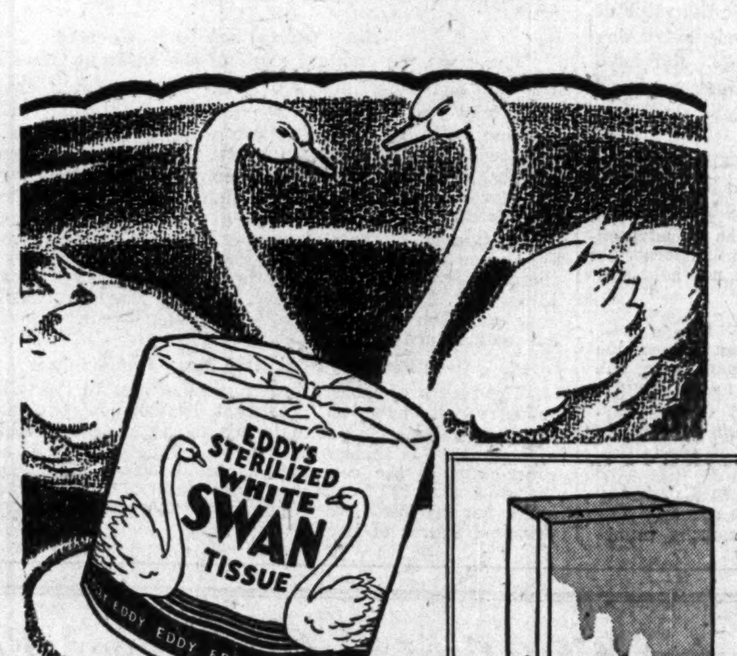

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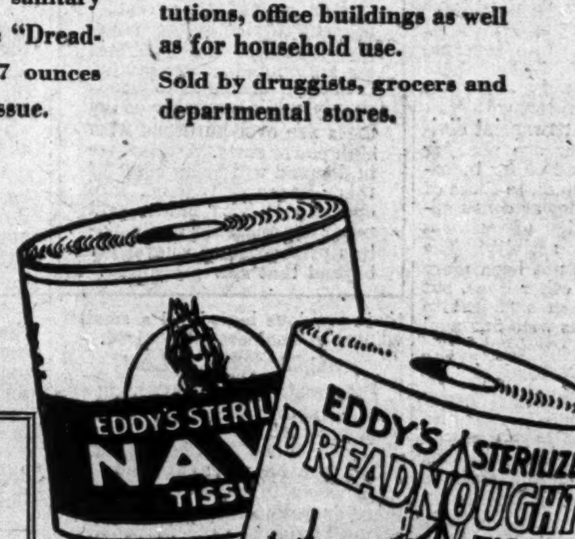

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B. C. PULP & PAPER

Pays Bond Interest After Asking Deferment of Payment

Both plants of the British Columbia Pulp and Paper Co. are in full operation and will continue so indefinitely according to present plans of the management. Sales to the United States, due to the exchange situation and the decline in the dollar, have fallen off to some extent lately but prospects are satisfactory for the balance of the year. There has been little change in the Oriental market, which ordinarily absorbed a large proportion of the company's output of sulphite pulp.

Over the last two years British Columbia Pulp has experienced varied conditions which have not only affected plant operations but have had their influence upon the company's earning power.

Sought Bondholders' Aid

Last year the company operated at a loss and in the early part of this year the management found it necessary to take steps to protect the company's liquid position. It was pointed out that reduction in world prices for the company's products and the disorganization of markets consequent upon this continued depreciation in currencies, particularly in the Orient, made it advisable not to rely upon any great improvement. Economies which have been in force for some time, have not proved sufficient to maintain the company's working capital position, so that bondholders were asked to make certain concessions.

In the early part of June the company presented a plan to the bondholders which provided for the postponement of interest payments falling due in 1933 and 1934, and the cancellation of sinking fund payments due in 1932, 1933 and 1934. At a meeting held on May 26, when these proposals were approved, it was stated that the powers granted to the company might not be used but that it was deemed expedient to request this authority in order to prepare for any contingency.

Pay Bond Interest

That there has been an improvement in the company's position since that time is apparent from the fact that in the early part of this month the company notified the bondholders that it would pay the semi-annual interest due on May 1 last, together with 8 per cent on the amount owing. No reference was made to sinking fund payments.

Capitalization—	Authorized	Outstanding
Common .... N.p.v.	150,000 shs.	100,000 shs.
Preferred 7% .... Par $100.	$1,000,000	$556,200

Funded Debt—
1st mtge. S. F. gold bonds, 6 per cent, due 1950*, outstanding $3,321,000.
General mtge. 7 per cent, due 1950†, outstanding $1,445,400.

*Sinking fund payment due Nov. 1, 1932, waived.

Dividend Record—
Preferred—7 per cent per annum, cumulative from Nov., 1925, payable quarterly, Feb., May, Aug. and Nov. 1; $8.75 paid Feb., 1927, representing all accumulated dividends. Regular quarterly payments made thereafter to and including Aug. 1, 1931. None since.
Common—None paid.

Officers and Directors—
Officers — Lawrence Killam, pres. and man dir.; W. J. Blake-Wilson, vice-pres.; O. A. Jorgenson, treas.; Miss E. M. Dominy, sec.
Directors—Lawrence Killam, W. J. B. Wilson, George Kidd, R. C. Buchanan, W. H. Malkin, O. A. Jorgenson, Cecil Killam, Vancouver, B.C.; I. W. Killam, Montreal.

Times Interest Earned:	1932	1931	1930
Before deprec.	nil	1.17	2.12
After deprec.	nil	0.53	1.17
Earnings per Share and Div. Record:			
Preference: Earned..	nil	nil	$7.51
Paid	nil	$5.25	7.00
Common: Earned ...	nil	nil	0.02
None paid.			

Six Years' Earnings—

Year	Earnings $	Dividends $	Surplus $
1927	777,551	38,934	51,162
1928	723,335	38,934	54,401
1929	599,776	38,934	56,158
1930	671,903	38,934	58,440
1931	363,446	29,200	*142,348
1932	*76,206	......	*522,202

*Loss or deficit.

PAPER MAKERS' FELTS

PORRITTS & SPENCER Paper Makers' Felts are made in Canada by men trained in the British tradition of thoroughness. In the selection of materials and in the manufacturing process the utmost care is exercised.

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CONSOLIDATED PAPER

Operations of Reorganized Canada Power and Paper Continue on Limited Basis — Loss Reported in 1932 But Bank Obligations Being Reduced

Canada Power and Paper under its new form—Consolidated Paper Corp.—has not been the success that had been anticipated when reorganization was carried out the year before last. Struggling under an impossible handicap of funded debt charges, it was believed that with a deferment of these charges the enterprise would be able to rebuild its earning power and in a short time be on a sound financial footing.

The management of Consolidated Paper Corp. has made pronounced progress in welding the various units together. Operations have been placed on a more economical footing, but earnings have been limited. This has been outside the control of the directors for the volume of business available for the company has been of such proportions as to preclude an earning power commensurate with the capital investment—even on the new scale.

Low Mill Operations

Mill operations have seldom been better than 30 per cent of capacity in any month over the past year and half. The price of newsprint has declined rather than increased. The combination of these two factors in the income account for the 15 months ended March 31, 1933.

In this financial statement, the first to be issued by Consolidated Paper, it was shown that after the payment of operating expenses, taxes, bank and other interest, but no capital charges, the company sustained a loss of $98,087.

Reduce Floating Debt

The efforts of the management to improve the position of the company are shown in another direction, namely, bank loans. The statement showed three bank loans. Loans secured under Section 88 of the Bank Act and pledge of certain other assets totalled $6,395,000 as against $11,200,000 at the beginning of 1932.

Special secured bank loans totalled $8,249,725, or roughly the same as at the beginning of last year.

A secured loan from the Montreal Trust Co. of $532,033 compares with $546,518 on January 1, 1932.

As at March 31, 1933, Consolidated Paper had a total of $15,176,764 of loans. During the 15 months period ended March 31 last bank loans were reduced by $4,805,000.

It should also be noted that during the period covered by this initial financial statement bonds of subsidiary companies were reduced by $172,040. Wayagamack News has outstanding $1,272,634 of bonds and Ha! Ha! Bay Land and Building Co. $112,000.

Has Strengthened Position

Though operating returns of Consolidated Paper for the first 15 months of its existence cannot be regarded as very satisfactory, yet the concentration of operations and reduction of current liabilities have been a strengthening factor of considerable importance.

Since the beginning of the year the volume of business handled by Consolidated Paper has been slightly better than that reported for the corresponding period of the previous year. The gain has not been marked but is in line with the trend for the industry as a whole. Demand for paper from the American publishers has been on a broader scale in the past two months enabling the operators to step up mill production.

Two Plants Idle

Only three of the five plants owned by Consolidated Paper Corp. are in operation. Belge and St. Maurice units have been closed down. Operation of Port Alfred, Laurentide and Wayagamack has been contingent upon the fact that the company has pulpwood supplies at these mills. It is announced that the Belge unit will be reopened at the beginning of next month. This may entail the closing down of the Port Alfred mill.

Depend on Demand

The full recovery of Consolidated Paper will depend on an increase in the consumption of newsprint. Operating costs have been reduced to a low point. Further economies are possible, but they will be dependent upon a better mill operating ratio. Power costs and other items which are directly influenced by the ratio of mill operations bulk large in production costs. This condition will be rectified with increasing production.

Prospects for further business are more encouraging now than they were at this time last year. Available statistics and records would indicate that consumption of newsprint is down to a minimum. While the returns for the past two months might lead to the belief that the industry has "turned the corner," the trend would appear to be an abnormal one. On the other hand it may be a normal trend, but it will not be possible to reach a definite decision on this point for another two or three months.

Meanwhile the management of Consolidated Paper continue its policy of stringent economies in operation and the further reduction of bank loans.

Capitalization—	Authorized	Outstanding
Common ...... n. p. v.	2,000,000 shs.	

Funded Debt—
1st mtge. gold bonds and sterling debenture stock, 5½%, due 1961, outstanding $51,406,900.

Subsidiaries:
Wayagmack News, 5% 1 mtge. deb. stock, due 1940, outstanding $1,113,494.
Ha! Ha! Bay Land & Building, 5½% serial bonds, due 1939, outstanding $112,200.

Officers and Directors—
Officers—LaMonte J. Belnap, pres.; George M. McKee and Charles R. Whitehead, assts. to the president; George Henderson, compt.; G. Wilfred Hodgson, sec.; D. Lloyd Adams, treas.; John W. Hodgson, asst. treas.
Directors—*LaMonte J. Belnap, Harold Crabtree, *Hon. Charles A. Dunning, *Frank G. Daniels, *Norman J. Dawes, Wilbert H. Howard, Beaudry Leman, *Ross H. McMaster, *Ernest A. Macnutt, Arthur B. Purvis, *Charles F. Sise, Julian C. Smith, F. G. Bush, Montreal, Que.; *Col. H. D. Lockhart Gordon, Toronto; *John J. Rudolf, New York.

The board of directors, comprising fifteen directors was to be formed, according to the plan of reorganization, by the election of nine members to represent the Protective Committee and who will serve until 1936, and the balance are to represent shareholders. The nine directors representing the committee are denoted by asterisks (*).

CONS. INCOME AND SURPLUS ACCOUNT
Fifteen Months Ended March 31, 1933

	$
Gross profits from operations†	2,448,850
Less: Bank and other interest ..	790,138
Bond and deb. int. of sub. cos.	90,497
Carry. chgs. on prop. not oper.	1,666,302
Loss for period‡	98,087

† Includes income from investments, exchange, miscellaneous and other revenues.
‡ Before depreciation.

Market Record—

	*1933 High	Low
Common	6⅝	1¾

* To September 19.

FRASER COMPANIES

Improved Demand for Sulphite Pulp Enables Company to Work Mills at Full Time — Prospects for Lumber Division Are More Encouraging

Current operating position of Fraser Companies and its subsidiaries is in marked contrast to that prevailing a year ago. The pulp mills at Edmundston and Athol are on full time, as is also the paper mill at Madawaska.

The improvement in demand for sulphite pulp in the last few months has been most marked, resulting in an advance of several dollars per ton in selling price. It is difficult to foretell just how long this situation will continue, but the management of the company is confident that conditions will remain on much the same basis as at present during the balance of the year.

Lumber Operations Promising

Lumbering operations also are on an improved basis. The company expects that exports this year will amount to between 17,000,000 and 18,000,000 feet. This reflects the improved relations between Canadian producers and the English market since the holding of the Imperial Economic Conference in Ottawa.

Another encouraging factor in the lumbering division at this time is the presence in Canada of buyers from England. Ordinarily representatives of the English lumber importers do not make their appearance until the beginning of the year, so that producers in the Maritimes are led to believe that larger shipments for the English market are in prospect.

Room for Recovery

While no information is available on current earnings, it is understood that an improvement has taken place though not to the extent of justifying undue optimism. In the last three years earning power has been sharply curtailed and there will have to be an appreciable increase in revenues before the company's finances are back on a sound footing.

The changed trend in current operations and earnings, however, is reflected in their reduction of bank loans. At the end of last year the consolidated statement of Fraser Companies showed $3,353,292 owing to the banks. With the increase in sales and liquidation of inventories this amount has been gradually cut down and by the end of the year is expected to be appreciably less.

Difficulties Over Finances

Fraser Companies got into difficulties when the depression started in before they had completed their development programme involving an expenditure of several millions of dollars and greatly increasing pulp and paper productive facilities.

In the early part of 1931 it was found necessary to pass interest on the company's debentures. Advances of a temporary character were secured in order to enable the company to carry on. By the spring of 1932 it was apparent that the company would not be in a position to meet heavy maturing obligations at mid-year. A plan of reorganization was drawn up and approved by the security holders around mid-year.

The financial statement for 1932 represented the first report since the reorganization. As the plan had only been approved a short time before the year ended, results did not fully reflect the change of either finances or management.

First Complete Year

Reports for the current year will be the first to cover a full twelve-months operations under the new plan. Also it will be the first in which the company will be able to demonstrate the value of the expansion programme under more normal circumstances. While considerable room exists for improvement in the demand for and value of pulp and paper products, as well as for lumber products, the current year is expected to see a better volume of business than has prevailed since 1930.

Present Capitalization—	Authorized	Outstanding
Common n. p. v.	500,000 shs.	150,189 shs.

Funded Debt—
Prior lien bonds, 6%, due 1942, authorized $2,000,000, issued as collateral security to bank, $1,096,000.
First mortgage S. F. bonds, 6%, due 1950, outstanding $8,701,502.
Interest from Jan. 1, 1932, to Jan. 1, 1934, to be suspended and be payable in five annual installments beginning July 1, 1937, overdue interest to carry interest at 6 per cent. Should the latter interest payment not be made, then payment of full interest for that year shall similarly be suspended and such shall be payable in five annual installments beginning July 1, 1939. Bondholders have the right to option common stock in lieu of the third year's interest at the rate of 5 shares per $1,000 bond. Fourth year's interest to be subject to similar terms, payments to begin July 1, 1940.

Dividend Record—25c. paid quarterly April 1, 1928, to Oct., 1929, on old stock; none since.

Officers and Directors—
Officers—K. S. Maclachlan, pres.; Donald Fraser, vice-pres.; T. A. Henry, vice-pres. i/c sales; L. M. Sherwood, vice-pres. i/c finance; W. Matheson, vice-pres. i/c property and sec., Edmundston, N.B.; A. W. Brebner, vice-pres. i/c subsidiaries, Campbellton, N.B.
Directors—K. S. Maclachlan, W. C. Pitfield, Harold Crabtree, A. H. Campbell, A. M. Irvine, Montreal; Donald Fraser, Plaster Rock, N.B.; W. Matheson, Thomas Matheson, Edmundston, N.B.; Lt.-Col. Robt. F. Massie, E. G. Long, Toronto; Hon. C. A. Dunning, Ottawa; Fred C. Beatteay, Saint John, N.B.; R. B. Hanson, Fredericton, N.B.
Voting Trustees—Bondholders: J. A. Ewing, I. W. Killam, Montreal; Lt.-Col. Robt. F. Massie, John Appleton, Toronto; H. P. Robinson, Saint John, N.B. Noteholders: Hon. Gordon W. Scott, Harold Crabtree, Arthur Jones, Montreal; Hamilton Cassells, Toronto; S. Kilpatrick, London, Eng.

Seven Years' Earnings—

Year	‡Earnings $	Dividends $	Surplus $
1926	1,561,825	357,349	1,350,972
1927	1,672,954	362,750	1,582,165
1928	1,765,154	371,179	1,599,710
1929	*1,419,961	301,048	937,901
1930	*278,289	......	†3,281,570
1931	*1,382,341	......	†5,467,374
1932	*111,477	......	†2,316,422

* Includes Restigouche Co.
† Deficit.
‡ After taxes and provision for bad debts.

Restigouche Company
(Owned by Fraser Companies)

Capitalization—	Authorized	Outstanding
Common n. p. v.	250,000 shs.	250,000 shs.

All owned by the parent company.

Funded Debt—
Prior lien bonds, 6%, due 1942, authorized $500,000; none issued.
Mortgage S. F. bonds, 6%, due 1948, outstanding $4,846,000. Interest from Feb. 1, 1932, to Feb. 1, 1934, to be suspended and to be payable in five annual installments beginning Aug. 1, 1937. Should the latter interest payment not be made, then full interest for the third year to be similarly suspended and to be payable in five annual installments, beginning Aug. 1, 1939, each bondholder then to have right to option common stock in Fraser Company in lieu thereof at rate of 5 shares per $1,000 bond. Fourth year interest to be subject to similar terms, payment of installments to begin July 1, 1940.

Officers and Directors—
Officers—K. S. Maclachlan, pres.; A. W. Brebner, gen. mgr. & treas.; W. Matheson, sec.
Directors—K. S. Maclachlan, Arthur Jones, H. J. Symington, I. W. Killam, Harold Crabtree, Montreal; A. W. Brebner, Campbellton, N.B.; Hamilton Cassells, Lt.-Col. Robt. F. Massie, Toronto.

Two Years' Earnings—

Year	*Earnings $	Dividends $	Surplus $
1931	104,482	......	†2,015,417
1932	138,270	......	†2,933,122

* After taxes and provision for bad debts.
† Deficit.

Fraser Paper
(Owned by Fraser Companies)

Funded Debt—
The company is authorized to issue $4,000,000 of 6 per cent first mortgage bonds, of which $2,500,000 have been issued and are pledged as part security for parent company's bonds. An issue of $7,500,000, 6 per cent general mortgage bonds is also pledged as security for parent company's bonds.

DONNACONA PAPER

Increase Operations Lately as Sales Register Increase

Donnacona Paper Co.'s operations lately have shown signs of improvement. Newsprint sales have moved forward with the result that the company has been able to take on more men and to increase production. The insulating board mill, however, has been affected by business conditions generally, but demand has been fairly well maintained in view of conditions.

The financial position of this company underwent a change following upon the reorganization carried out a year ago. Control was taken out of the hands of Price Bros. & Co. and given to the bondholders. Interest charges and sinking fund on the bonds have been deferred, while a new power contract entered into with Shawinigan Water and Power Co. has proved helpful to the company.

Larger Working Capital

The first financial statement of Donnacona Paper under the new management, for the year ended December 31, last, showed a smaller operating profit. The balance sheet, however, showed greater strength. The working capital position was improved by over $1,000,000 while bank loans were cut down from $750,000 to $184,500 and a sum of $852,698 due to associated companies was liquidated.

Capitalization—	Authorized	Outstanding
Class "A"	121,804 shs.	121,804 shs.
Class "B" ..... n. p. v.	123,088 shs.	123,088 shs.

Funded Debt—
1st mtge. 5½% bonds, series "A", due 1948*, outstanding $6,584,000.

* Interest liability up till Feb. 1, 1934, cancelled and for two years thereafter cumulative but payable out of income only.

Officers and Directors—
Officers — Robert P. Kernan, pres.; Hon. George Parent, vice-pres.; Louis W. Michael, sec.-treas.
Directors — Robert P. Kernan, Hon. George Parent, Sir George Garneau, Hon. W. Gerard Power, A. C. M. Thomson, Quebec; A. P. S. Glassco, Montreal.

Five Years' Earnings—

Year	*Earnings $	Dividends $	Surplus $
1928	869,763	......	62,371
1929	829,861	......	65,275
1930	621,190	......	66,453
1931	434,879	......	nil
1932	275,474	......	6,036

* From all sources.

BLDG. PRODUCTS

Sales and Earnings Affected by Small Volume of Building

Profit of Building Products is closely allied with that of construction activity which has been restricted by adverse business conditions. Prospects are not altogether unfavorable, however, inasmuch as there is a possibility of the Federal Government undertaking to finance a building programme which in turn would be of considerable importance to companies such as that of Building Products.

Following a restriction of earning power, the company decided upon the conservation of liquid resources and to that end reduced dividends. Last year, the report showed earnings of 7 cents on the class A and B shares against dividend payments of $1.35. There is some doubt as to whether or not the management will continue to pay dividends, but any decision on this matter will rest largely upon prospects for new building.

Good Record To Date

The record of Building Products to date has been a very satisfactory one. The company has no funded debt and its common shares are the only securities outstanding. It has built up a strong cash reserve. At the end of last year, current assets amounted to $1,937,174 as against current liabilities of only $101,284, leaving a net working capital of $1,835,890.

Basic operations of the company are carried on at Portneuf and Pont Rouge, Quebec. The Portneuf mill manufactures solid fibre shipping cases, and "insulboard." The chief products of this company, which also has mills at Hamilton and Montreal, are asphalt, shingles, roll-roofing, roofing felt, wallboard, waterproof paints and cement.

Capitalization—	Authorized	Outstanding
Cl. "A" (non-vot.)	116,346 sh.	116,346 sh.
Cl. "B" (voting) n. p. v.	4,500 sh.	4,500 sh.

Funded Debt—
None.

Dividend Record—
Common, Class "A" and Class "B"—$1 per share per annum, payable quarterly, Jan., Apr., July and Oct. 1. Reduced from $1.40 per annum, Oct. 1, 1932.

Officers and Directors—
Officers — P. R. Allen, pres.; W. R. McNeil, vice-pres. and man. dir.; R. C. Crooker, sec.-treas.; C. P. Cowan, gen. mfg. mgr.; D. P. Hatch, gen. sales mgr.
Directors—P. R. Allen, East Walpole, Mass.; W. R. McNeil, Montreal; A. E. Ames, Toronto; C. P. Cowan, Montreal; D. P. Hatch, Montreal; W. Brainerd, G. M. McKee, Montreal; C. B. McNaught, Toronto; G. H. Montgomery, Montreal.

Earnings per Share and Dividend Record: Classes "A" & "B"—	1932	1931	1930
Earned	$0.55*	$2.18	$2.70
Paid	1.80	2.00	2.00

* Earnings before addition of balance of investment reserve $0.07.

Six Years' Earnings:

Year	*Earnings $	Dividends $	Surplus $
1927	331,737	83,708	402,269
1928	376,395	191,818	643,465
1929	418,482	212,040	849,907
1930	326,434	241,692	934,649
1931	263,820	241,692	956,778
1932	9,068	163,142	860,117

* After adding income from investments and deducting reserve for contingencies and depreciation reserve.

Market Record—

	*1933 H	L	1932 H	L	1931 H	L
Com. "A"	21	10½	20¼	10	26	15½

* To September 19.

LAKE ST. JOHN POWER & PAPER COMPANY LIMITED

A modern mill, strategically located in relation to timber and power resources, for the economical production of newsprint paper.

DAILY CAPACITY -- 300 TONS

OFFICERS

D. H. McDougall
Chairman of Board

A. S. McNichols
President

H. H. Horsfall
Vice-President

P. M. Fox, *General Manager*

C. W. Davison, *Secretary-Treasurer*

DIRECTORS

D. H. McDougall; H. H. Horsfall;
Col. R. F. Massie; Arthur H. Campbell;
A. S. McNichols; J. T. Rankin;
John Stadler

MILL AND HEAD OFFICE AT DOLBEAU, QUEBEC
ADMINISTRATION OFFICE: MONTREAL, QUEBEC

Provincial Paper Limited

Head Office: 388 UNIVERSITY AVE., TORONTO

MANUFACTURING

Book, Writing, Bond and Coated Papers, Sulphite and Groundwood Pulp

Paper Mills at

MILLE ROCHES, ONTARIO THOROLD, ONTARIO
GEORGETOWN, ONTARIO PORT ARTHUR, ONTARIO

Pulp Mill: PORT ARTHUR, ONTARIO

CANADIAN INTERNATIONAL

Sales Volume Registers Decline in 1932 — Recent Operations on More Encouraging Scale — Bank Loans of Parent Concern Show Further Reduction

Production of the mills under control of Canadian International Paper Co., a division of International Paper Company, which in turn is controlled by International Paper and Power Co., dropped from 644,841 tons of newsprint and 131,099 tons of sulphite pulp in 1931 to 498,433 tons of newsprint and 119,251 tons of sulphite pulp in 1932. In addition to this reduced volume, there were heavy declines in prices for both newsprint and sulphite pulp.

Current Operations Better

Since the beginning of the current year Canadian International Paper's operations have been on a healthier basis. While the price of newsprint has not increased, sulphite pulp values have moved up, which, combined with low operating costs, have been reflected in a better operating income. Provided that the recent improvement in newsprint demand is maintained during the balance of the year, revenues from this branch of activities are likely to be on a larger scale in 1933 than was the case in 1932.

The newsprint mills at Gatineau, Three Rivers, Dalhousie and Corner Brook have shown material improvement in operations of late, while the pulp plants at Kipawa and Hawkesbury have been operating on a full-time basis.

Lower Sales in 1932

Last year gross sales of Canadian International amounted to $30,227,721. This compared with $25,493,739 in the previous year, Consolidated net earnings before interest and reserves of $3,649,798 were somewhat less than interest requirements on the company's first mortgage bonds and prior liens, including obligations of subsidiaries.

During the year funded debt was reduced by $3,486,098, bank debt by $1,616,625 and other current liabilities by $678,915, a total of $5,781,638. Against this there was an increase of $2,646,437 in indebtedness to affiliated companies and a reduction of $6,965,632 in current assets. The latter was accounted in part by a writing down of inventories.

Change in Funded Debt

Consolidated funded debt of Canadian International Paper at the end of 1932 amounted to $93,563,857. During the year several important changes were effected in this item. Some $25,000,000 of gold debentures were retired and replaced by a similar amount of refunding mortgage bonds, carrying the same rate of interest and maturing at the same time. In addition the company issued $6,250,000 of 5 per cent Series C refunding mortgages, which replaced in part $10,000,000 of 6 per cent gold notes, due 1933, which were shown in the 1932 balance sheet at $219,000.

Of the total funded debt $43,969,000 is owned by International Paper Co. and $49,594,857 by others.

Bank Loans Reduced

Bank loans at the end of last year amounted to $3,494,000 compared with $5,110,625 at the close of the previous year. Of this total $2,970,000 represented loans on the Newfoundland property and $524,000 on the Canadian property. Since that time there has been a further reduction in the Newfoundland loan.

The amount due by Canadian International to International Paper at the end of 1932 totalled $2,941,169, an increase of $456,373 during the year, while the amount due to Canadian International Paper Ltd., controlling company, advanced from $9,500 to $733,823.

The sum due to International Paper is largely offset by $1,662,975 owing by International Paper and affiliated companies to Canadian International.

Position of Holding Concern

This was the position of Canadian International at the beginning of this year. In considering its current position it is necessary to take cognizance of International Paper and Power Co.'s position as the ultimate holding unit. I. P. and P. has had numerous major financial problems to face over the past two years. Had its income been dependent upon pulp and paper operations, it is doubtful if the company would have survived. Revenues from power properties and other allied interests, however, have enabled the holding company to survive.

At the beginning of the year International Paper and Power's position was not an enviable one. Limited newsprint operations and declining revenues in the paper division, somewhat unsatisfactory revenue from power properties, and the necessity of liquidating heavy bank loans, did not make the outlook a cheery one.

Stronger Position Now

Within recent months the operating and income position of International Paper and Power Co.'s properties have undergone a favorable change. While the price of newsprint has not increased there has been a better demand for paper; power operations have been slightly better; and bank loans have been put on a basis relieving the company of the immediate necessity of liquidating these obligations.

Consolidated notes payable of subsidiaries at the end of July last totalled $19,317,423, a net reduction of $8,666,824 since the end of 1932. The $14,500,000 bank loans of International Paper Co. matured on August 15 but were extended to August 1, 1934, subject to the payment of $1,000,000 on account on February 15, 1934, and $1,000,000 on May 15, 1934.

Problems Being Overcome

International's problems are common with those of other newsprint operators. Its mill operations have been at a point which does not permit the greatest efficiency, while the price of newsprint has been far from satisfactory. Were it not for its large hydro-electric producing and distributing properties, International would hardly have been able to survive up to the present time without a reorganization.

Present prospects in both the hydro-electric and pulp and paper fields are more encouraging than they have been at any time in the last three years. Many difficulties remain to be ironed out. Indications are, however, that International has been successful in strengthening its position to such an extent that with only a moderate upturn in business it will be successful in pulling through the depression.

International Paper & Power

Capitalization—	Authorized	Outstanding
Common A ...	5,000,000 sh.	998,296 sh.
Common B ...	3,000,000 sh.	998,298 sh.
Common C ... N.p.v.	5,000,000 sh.	2,498,075 sh.
Pref. 7%	$100,000,000	$92,262,800
Pref. 6% ..... Par $100.	2,000,000	1,664,900

Funded Debt—The company has no funded debt, but, as at Dec. 31, 1931, bonds, etc., of subsidiary companies outstanding amounted to $360,940,226, (of which $2,227,806 matures in 1933)

Dividend Record—7 per cent pref. and 6 per cent pref.—cumulative, payable Jan., April, July and Oct. 15; paid regularly from Jan., 1929, to April, 1931; none since.

Class A common—None at present; $2.40 per share per annum paid regularly from Feb. 15, 1929 to Aug. 15, 1930; none since.

Officers and Directors—

Officers—A. R. Graustein, pres.; F. D. Comerford, vice-pres.; N. C. Head, W. N. Hurlbut, vice-pres.; H. R. Weaver, vice-pres. and treas.; S. C. Moore, sec.; E. B. Norcross, R. G. Ladd, A. R. Storm, asst. treas.; C. D Young, E. E. Adams, G. S. McCarthy, asst. secs.

Directors—W. C. Baylies, *W. Chamberlain, *F. D. Comerford, F. L. Higginson, *J. R. Macomber, Boston, Mass.; *M. G. Chace, Providence, R.I.; *F. Eberstadt, A. R. Graustein, *D. T. Layman, Jr., R. Pagenstecher, *A. H. Wiggin, *G. T. Bishop, W. N. Hurlbut, *A. A. Tilney, G. Auchinclos, New York, N.Y.; G. K. Simonds, Fitchburg, Mass.

*Members executive committee.

Times Funded Debt Interest Earned:	1932	1931	1930
Before deprec.	1.75	2.23	2.45
After deprec.	1.32	1.79	1.95

Earnings per Share and Dividend Record:			
7% pref.:			
Earned	nil	$0.67	$4.58
Paid	...	1.75	7.00
6% Pref.:			
Earned	nil	nil	nil
Paid	...	1.50	6.00
Cl. A Com.:			
Earned	nil	nil	nil
Paid	...	...	1.20

Five Years Earnings:

Year	Earnings $	Dividends $	Surplus $
1928*	17,604,276	8,655,610	18,184,646
1929	34,551,982	8,834,511	15,069,332
1930	41,275,748	7,703,038	12,976,213
1931	40,681,611	1,632,565	11,961,887
1932	37,111,048	....	3,204,158

*Compiled by the company for comparative purposes only.

Market Record (New York Stk. Exch.)—

	*1933 H	*1933 L	1932 H	1932 L	1931 H	1931 L
Pref.	22½	2	12⅜	1¾	43½	6¼
Cl. A	10	½	4⅝	½	10¼	1⅞
Cl. B	5⅜	½	2	½	6	½
Cl. C	4	¼	1½	¼	4½	½

*To September 19.

Canadian International Paper
(Controlled by Canadian International Paper, Ltd.)

Capitalization—	Authorized	Outstanding
Common .... Par $100.	$10,000,000	*$10,000,000

Funded Debt—	Outstanding
1st mtge. gold 6%, due 1940 ...	$23,750,000
Ref. mtge. 6%, due 1946 A ..	*6,250,000
Do., 6% B, due 1946	*18,750,000
Do., 6% C, due 1933	*6,250,000
Gold notes 6%, due 1933	*219,000
Riordon Pulp & Paper: 1st mtge. s. f. 6% debs., due 1942	820,100
N. B. International Paper: 1st mtge. 6%, due 1961	*12,500,000

*All owned by International Paper Co.

Dividend Record—Common—$3 per share paid in 1930; $12 in 1931 and $6 in 1932.

Officers and Directors—

Officers—A. R. Graustein, pres.; Brig.-Gen. J. B. White, first vice-pres.; E. A. Charlton, vice-pres.; Neil C. Head, vice-pres.; W. N. Hurlbut, vice-pres.; F. G. Robinson, vice-pres. i/c sulphite sales; C. B. Thorne, vice-pres. i/c sulphite manufacture; H. R. Weaver, treas.; Roy Campbell, sec.; H. J. Webb, compt.; Coulter D Young, asst. sec.

Directors—Hon. Raoul Dandurand, Victor M. Drury, James A. Eccles, *George H. Montgomery, Hon. Donat Raymonl, F. N. Southam, *Brig.-Gen. J. B. White, Hon. Smeaton White, Montreal; Gordon C. Edwards, G. G. Gale, Ottawa; J. H. Fortier, Quebec; *A. R. Graustein, *Neil C. Head, John H. Phipps, John F. Rollins, A. H. Wiggin, New York; John R. Macomber, Boston, Mass.; H. P. Robinson, Saint John, N.B.; T. A. Russell, Toronto.

*Members executive committee.

Times Interest Earned on First Mortgage Bonds and Prior Liens:	1932	1931	1930
Before deprec.	*0.95	2.96	[illegible]
After deprec.	nil	2.23	2.71
Earnings per Share and Div. Record:			
Common: Earned ..	nil	$7.56	$14.75
Paid	$6.00	12.00	3.00

*After interest on subsidiary obligations.

International Power & Paper of Newfoundland
(Controlled by Canadian International Paper Co.)

Capitalization—	Authorized	Outstanding
Common	£5,000,000	†£500,000 ($2,433,250)
Pref. 5% ..... Par £1.		£2,080,000 ($10,122,320)

†Entirely held by International Paper and Power Co.

Funded Debt—1st Mtge. bonds, 5 per cent, due 1968, outstanding $4,866,000. Nfld. Power & Paper A mortgage deb. stock, 4½ per cent, due 1973, outstanding $9,733,000. Present due date is 1948, but in effect the company has the right of extension to 1973.

B Mortgage 5½ per cent debenture stock, due 1970, outstanding $9,413,758.

Officers and Directors—

Officers—A. R. Graustein, pres.; N. C Head, vice-pres.; E. A. Charlton, vice-pres. and gen. mgr.; H. R. Weaver, treas.; A. R. Storm and H. A. Maycrink, asst. treas.; C. D. Young, sec.; T. S. Howard and E. E. Adams, asst. secs.

Directors—A. R. Graustein, N. C. Head, J. F. Rollins, J. H. Hinman, G. A. Brownell, H. R. Weaver, R. L. Weldon, E A. Charlton, all of New York; Sir G. S. Barnes, J. Frater Taylor, London, Eng.; W. H. Abbott, Hon. H. A. Winter, St. John's, Newfoundland.

Times Interest Earned:	1932	1931	1930
5% 1st mortgage bonds:			
Before depr. & depl.	10.20	12.02	12.63
After depr. & depl.	7.61	9.44	9.60
4½% A mortgage deb. stock:			
Before depr. & depl.	5.09	6.12	6.46
After depr. & depl.	3.66	4.69	4.78
5½% B mortgage deb. stock†:			
Before depr. & depl.	3.47	4.30	4.55
After depr. & depl.	2.26	3.10	3.15

†Based on amount of issue outstanding as at end of year.

Earnings per Share and Dividend Record:			
Preference: Earned	$0.17	$0.31	$0.37
None paid			
Common: Earned ..	nil	1.06	1.32
None paid			

International Fibre Board
(Controlled by International Paper Co.)

Capitalization—	Authorized	Outstanding
Common .... N.p.v.	10,000 shs.	10,000 shs.
1st pref. cum. ... Par $100.	$1,500,000	$1,500,000
2nd pref. non cum. N.p.v.	65,000 shs.	65,000 shs.

Of the above International Paper Co. owns $1,318,800 of the first preferred, 64,999 shares of the second preferred and all of the common.

Officers—E. A. Charlton, pres.; J. B. White and H. R. Weaver, vice-presidents; Owen Shepherd, treas.; C. D. Young, sec.; E. E. Adams, asst. sec.

Continental Paper & Bag
(Controlled by International Paper Co.)

Capitalization—	Authorized	Outstanding
Common .... Par $100.	$3,000,000	$3,000,000

All owned by International Paper Co.

Funded Debt—1st ref. bonds series A, 6½%, due 1944, outstanding $309,000. Marinette & Menominee Paper Co., 7½% bonds, due 1936*, outstanding $935,100.

*Guaranteed as to principal and interest by Continental Paper and Bag Mills Corp. and assumed by the new company on its formation.

ROLLAND PAPER

Sales Contacts Stand Company in Good Stead in Recent Years

Close relationship existing between Rolland Paper Co. and its customers for more than half a century has proved of great value to the company in the last three years. While sales and operations have been affected by the business depression, Rolland Paper has secured a goodly share of the business offering. As a result the company has been able to maintain earnings on a relatively high basis. Last year net earnings covered the usual depreciation charge, bond interest and preferred dividends. While the surplus was not as large as in 1931, the company did not dip into surplus in order to take care of these charges as was the experience of practically all other companies in the industry. No details are available in respect to current earnings, but it is understood that income is holding up fairly well.

Finances are Sound

At the close of 1932 the company's balance sheet indicated a strong financial position. Current assets exceeded current liabilities in the ratio of ten to one, with cash on hand being sufficient to take care of all current liabilities. The company has no bank loans, while its funded debt has been reduced by more than $100,000 in the last two years.

Though Rolland Paper's activities are largely centred on the manufacture of high-grade bond and high-grade writing papers, it has broadened its lines to include the production of a number of special papers. The returns from some of these new lines have been limited owing to adverse business conditions. With a return of more normal conditions, Rolland Paper is in a position to materially increase sales at a minimum of expense.

Capitalization—	Authorized	Outstanding
Common ...... N.p.v.	100,000 shs.	60,001 shs.
Preferred, cum. .. Par $100.	$2,500,000	$1,500,000

Funded Debt—1st mtge. S F. bonds, series A, 5½ per cent, due 1948, outstanding $2,394,500.

Dividend Record—Preferred—6 per cent per annum, payable 1st March, June, Sept. and Dec. Initial dividend paid Sept. 1, 1928, and regularly since.

Common—None paid.

Officers and Directors—

Officers—S. J. B. Rolland, chm. of board; J. Rolland, pres.; J. P. Rolland, vice-pres.; O. Rolland, gen. mgr.; J. A. Forget, sec.-treas.

Directors—S. J. B. Rolland, J. Rolland, J. P. Rolland, W. C. Pitfield, F. Saint-Pierre, Montreal, P.Q.; O. Rolland, Mt. Rolland, P Q.; D. Fraser, Plaster Rock, N.B.; J. H. Price, Quebec.

Times Bond Interest Earned—	1932	1931	1930
Before deprec	2.21	2.34	2.76
After deprec.	1.63	1.77	2.24
Earnings per Share and Dividend Record—			
Preferred: Earned .	$6.06	$7.51	$10.66
Paid	6.00	6.00	6.00
Common: Earned ..	0.02	0.38	1.16
None paid.			

Five Years Earnings:

Year	Earnings $	Dividends $	Surplus $
1928*	‡258,607	45,000	§80,196
1929	†440,480	90,000	§211,176
1930	†279,358	90,000	281,034
1931	†346,876	90,000	312,204
1932	†328,764	90,000	313,187

*Seven months period ended Dec 31, 1928.
†After operating expenses, federal and general taxes and provision for bad and doubtful debts.
‡After operating expenses but before income tax.
§Before deduction of income tax.

MERSEY PAPER

Newsprint Mill Operations Maintained at High Level This Year

During the first half of the current year Mersey Paper Co., operating a newsprint mill at Liverpool, N.S., ran full time every working day, giving employment to over 400 men in actual mill operations. A similar number of men have been employed in the company's own pulpwood camps at Lake Ross during the same period, while large quantities of pulpwood have been cut from independent jobbers.

Newsprint production during the first six months of 1933 amounted to 43,000 tons which is greater than the rated capacity of the plant. Since that time the company has maintained operations and it is expected that production for 1933 will be greater than that reported for 1932.

May Affect Wood Costs

Conditions under which the company receives its pulpwood supplies may be affected as a result of the change in government in Nova Scotia. The old régime passed an act known as Bill No. 151 under which Mersey Paper was able to secure its pulpwood supply on favorable terms. This bill has come in for a great deal of discussion, especially during the last election, and there is a possibility that the new Government may take steps to recall it.

Though earning power of Mersey Paper was on a restricted basis in 1932 as compared with the preceding year, the company was able to maintain a satisfactory balance sheet. Gross profits showed a drop from $1,093,573 to $799,962, last year. This was sufficient to take care of all interest charges, while the balance of $384,371 was transferred to depreciation reserve.

Owing to unsatisfactory conditions in the financial markets, Mersey Paper has taken no action toward reducing its indebtedness to the banks. Current bank loans at the end of last year amounted to $871,669. In addition there was a special bank loan, secured by first mortgage bonds, amounting to $2,930,000, or a total of $3,801,669.

Capitalization—	Authorized	Outstanding
Common .... N.p.v.	150,000 shs.	150,000 shs.
Pref. cum. red. .. Par $100.	$5,000,000	$5,000,000

Funded Debt—1st mtge. S. F. bonds, due 1954, authorized $10,000,000; $5,000,000 issued and deposited with bank as collateral security for loan of $2,930,000; outstanding $4,295,000. General mtge. bonds, series A, 6 per cent, due 1949, outstanding $1,966,500.

Dividend Record—Preferred—Entitled to 6½ per cent per annum, cumulative from July 1, 1930; payable quarterly, Jan., Apr., July and Oct. 1. None paid to date.

Common—None paid to date.

Officers and Directors—

Officers—Col. C. H. L. Jones, pres. & gen. mgr.; J. McG. Stewart, vice-pres.; T. M. Ratchford, sec. and treas.

Directors—Col. C. H. L. Jones, J. McG. Stewart, Col. J. L. Miller, P. R. Jack, J. C. MacKeen, Halifax, N.S.; W. H. Chase, Wolfville, N.S.; J. B. Douglas, Montreal, P.Q.

Times All Interest Earned:	1932	1931	1930
Before depreciation .	1.92	2.43	1.94
After depreciation ..	1.00	1.87	1.39
Earnings per Share:			
Preferred	nil	$6.67	$3.45
Common*	nil	0.06	nil

*After deducting full year's preferred dividend requirements; no account taken of arrears.

Canadian International Paper Company

1155 BEAVER HALL SQUARE, MONTREAL

NEWSPRINT PAPER

BLEACHED SULPHITE PULP FOR RAYON AND FOR HIGH-GRADE BOOK PAPERS

Newsprint Mills at
DALHOUSIE, N.B.
GATINEAU, QUE.
THREE RIVERS, QUEBEC
CORNER BROOK, NFLD.

Bleached Sulphite Pulp Mills at
KIPAWA, QUE.
HAWKESBURY, ONT.

"PAPER IS THE BASE OF THE JOB"

Helps Trade Balance

The gross contribution toward a favorable trade balance resulting from the activities of the pulp and paper industry as a whole in 1931 amounted to approximately $139,844,298.

Wood Pulp is Exported

Exports of wood-pulp from Canada during the calendar year 1931 amounted to 622,537 tons valued at $30,056,643 as compared to 760,220 tons in 1920 valued at $39,059. During 1931 the imports of wood-pulp were 14,418 tons valued at $592,904.

Capital Totals $630,000,000

Capital invested in the manufacturing part of the industry in 1931 was $630,176,540 as compared to $714,437,104 for 1930, a decrease of 11.8 per cent. Only capital invested in operating mills is included in these totals.

HOWARD SMITH PAPER

Smaller Demand for Fine Papers Affects Operations and Earnings — Large Bank Loans to be Liquidated Before Dividends Resumed

No material change has taken place in the volume of Howard Smith Paper Mills and its subsidiaries during the current year. It is expected that net earnings will approximate those reported in 1932, as a result of further economies in operations and administration.

Sales of this company and its allied units are confined largely to the domestic market, though in other years the company has carried on a fairly extensive export business. The demand for the fine papers has been restricted in sympathy with business generally. In the first quarter of 1933 the company reported that consolidated sales were off 15 per cent as compared with the same period last year. The trend of earnings was more favorable, however, income declining only about 10 per cent.

Prospects Are Indefinite

There have been some signs of improvement in the fine paper business lately so that it is difficult at this time to tell just how the company will fare for the full year. Last year operating profits were sufficient to take care of bond interest and other senior charges and to leave a surplus of $278,730. No dividends have been paid on the company's preferred stock since the first quarter of 1931, so that the balance of earnings have been applied toward reducing the company's indebtedness to the banks.

Owe Money to Banks

The consolidated balance at the end of 1932 showed Howard Smith as owing $1,427,500 to the banks. Previous reports showed notes of $1,665,855 payable to Canada Paper Co. This obligation was wiped out as a result of a reorganization plan approved by the security holders of Canada Paper.

It is not anticipated that Howard Smith Paper Mills' management will take any active steps to resume dividend payments on the preferred stock until such time as earnings are on a larger scale. Meantime efforts will be devoted to strengthening the company's financial position.

Capitalization—	Authorized	Outstanding
Common ...... N.p.v.	300,000 shs.	220,000 shs.
Pref. cum. red. .. Par $100.	$7,500,000	$4,500,000

Funded Debt—
1st mtge. S. F. gold bonds or debentures, 5½ per cent, due 1953, outstanding, series A, $6,790,000.

Dividend Record—
Preferred—None at present. Entitled to 6 per cent per annum, payable quarterly, Mar., June, Sept. and Dec. 1 Cumulative from June 1, 1928. Initial payment made on Sept. 1, 1928, and regularly up to and including March 1, 1931. Dividends deferred since.
Common—None paid.

Officers and Directors—
Officers—Harold Crabtree, pres.; E. Howard Smith, vice-pres. and man. dir.; E. K. Robinson, George Pauline, vice-presidents; K. G. Pendock, sec. & treas.; M. G. Peterkin, asst. sec. and asst. treas.
Directors — Harold Crabtree, Sir Herbert S. Holt, J. W. Pyke, E. R. Decary, Howard Murray, G. M. McKee, E. Howard Smith, W. D. Robb, W. H. Howard, Hon. C. A. Dunning, Montreal; C. L. Burton, J. H. Gundy, C. B. McNaught, Toronto; Geo. Chahoon, Jr., Grand'Mère, Que.

Times Interest* Earned:

	1932	1931	1930
After deprec. & deplet.	2.22	1.79	2.17
Before deprec. & deplet.	1.53	1.11	1.78

*And U. S. exchange on bond interest.

Earnings per Share and Dividend Record:

Pref.: Earned†	$6.07	$1.16	$7.29
Paid	nil	‡1.50	6.00
Common: Earn.^	nil	nil	0.26
None paid.			

† After deduction of subsidiary dividends.
‡ Of which only $1.00 is a charge against 1931 operations.
^ After allowing for full year's preferred dividend requirements, and after subsidiary dividends.

Eight Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1925	752,437	127,976	175,163
1926	855,349	127,976	286,859
1927	946,396	136,708	464,146
1928	*1,007,637	157,500	†424,477
1929	1,288,902	270,000	†835,276
1930	‡1,231,760	382,564	†1,294,283
1931	1,101,716	55,104	†1,044,728
1932	1,377,556	5,604	1,237,881

*Nine months, Apr. 1 to Dec. 31.
†Before providing for income tax.
‡Consolidated earnings.

Market Record—

	*1933		1932		1931	
	H	L	H	L	H	L
Com. ..	9¾	1⅛	4	2	6	2½
Pref. .	40¼	8	27	16	45¼	30

*To September 19.

CANADA PAPER

(Controlled by Howard Smith Paper Mills)

Capitalization—	Authorized	Outstanding
Common* .... Par $5.	$100,000	$100,000
Preferred cum. .. Par $100.	3,000,000	1,250,000

*Entire issue owned by Howard Smith Paper Mills. Changed from no par value in May, 1932.

Funded Debt—
First mortgage S. F. bonds series A, 6 per cent, due 1945, outstanding $1,559,000.

Dividend Record—
Preferred—Cumulative, 7 per cent, payable Mar., June, Sept. and Dec. 1. Paid regularly to Dec. 1, 1930; none since.
Common—None paid.

Officers and Directors—
Officers—Harold Crabtree, pres.; E. K. Robinson, vice-pres. and gen. mgr.; Kenneth G. Pendock, C.G.A., sec. treas.; M. G. Peterkin, asst. sec.-treas.
Directors—Harold Crabtree, E. K. Robinson, E. Howard Smith, George M. McKee, Hon. Chas. A. Dunning, Montreal; F. A. Sabbaton, Grand'Mère, P.Q.; H. B. Campbell, Windsor Mills, P.Q.; H. B. Donovan J. H. Gundy, Toronto, Ont.

ALLIANCE PAPER MILLS

(Controlled by Howard Smith Paper Mills)

Capitalization—	Authorized	Outstanding
Common ...... N.p.v.	200,000 shs.	100,000 shs.
Preferred .... Par $100.	$3,000,000	$1,003,500

85 per cent of the common stock is held by the Howard Smith Paper Mills.

Funded Debt—
The company has no funded debt of its own, but assumed outstanding bonds of subsidiary companies:
Georgetown Coated Paper Mills, 1st mtge. S. F. bonds, 6½ per cent, due 1947, outstanding $178,000.
Ritchie & Ramsay, 1st mtge. S. F. bonds, 7 per cent, due 1944, outstanding $165,400.
Lincoln Pulp & Paper, 1st mtge. S. F. bonds, 7½ per cent, due 1942, outstanding $663,900.

CANADIAN CELLULOSE

(Wholly owned by Howard Smith Paper Mills)

Capitalization—	Authorized	Subscribed
Preferred .... Par $100.	$1,000,000	$300,000
Common .... N.p.v.	10,000 shs.	5,000shs.

Funded Debt—
First mortgage S. F. bonds, 7 per cent, due 1951, outstanding $479,500. Held by banks as additional security for loans.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Murray Bay, Que. Sault Ste. Marie, Ont.
Beaupré, Que. Iroquois Falls, Ont.
Sturgeon Falls, Ont. Smooth Rock Falls, Ont.
Espanola, Ont. Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Specify Donvale Covers and Don Bristol Board
DON VALLEY PAPER
CO. LIMITED
TORONTO, ONTARIO

CORRUGATED BOX

Earnings Show Some Improvement in Current Year

Corrugated Paper Box Co. has experienced improved demand for its products since May. Increased volume of sales, together with economies that have been effected in operation, have enabled the management to avoid losses on operations so far in 1933 and prospects for the remainder of the year are bright. On the basis of operations to date it appears that net earnings for 1933 will be somewhat in excess of the $26,265 reported for 1932. Any substantial increase in earnings will depend upon greater volume of business and improved prices.

The company manufactures corrugated and solid fibre shipping containers and operates plants at Leaside, Ont., and Winnipeg, Man. Publicly financed in 1928, earnings of the company dropped from $174,256 in that year to $131,191 in 1930 while a loss of $25,815 was shown in 1931 before depreciation. Despite low volume of business, improvement was shown in 1932 as a result of operating economies effected. Slow improvement has continued in the current year.

Capitalization—	Authorized	Outstanding
Common ...... n. p. v.	100,000 shs.	*47,000 shs.
Pref. cum. red. .. Par $100.	$1,500,000	$805,500

*Including 1,245 shares unpaid.

Funded Debt—
None.

Dividend Record—
Preferred—7 per cent per annum, payable quarterly, Mar, June, Sept. and Dec. 1. Initial dividend of 1¾% paid Sept., 1928, and regularly up to and including June 1, 1930; none since.

Officers and Directors—
Officers — A. T. Whealy, pres., gen. mgr. and treas.; J. A. Gairdner, vice-pres.; J. A. Whealy, vice-pres., sales mgr. and sec.; H. Hilton, Winnipeg, mgr.
Directors — J. A. Gairdner, J. A. Whealy, A. T. Whealy, O. A. Doherty, William Lawrence, Toronto; Henry Hilton, W. J. Hilton, Winnipeg.

Earnings per Share and Dividend Record:

	1932	1931	1930
Preference: Earned†	...	...	$7.23
Paid	...	...	3.50
Common: Earned† .	...	...	*0.04
None paid.			

* After deducting full year's preference dividends. † Before income tax.

Five Years' Earnings—

Year	Earnings $	Dividends $	Surplus $
1928*	174,256	21,787	125,961
1929	159,596	55,055	162,638
1930	131,191	29,067	196,445
1931	†25,815	......	107,034
1932	26,265	......	95,661

* For nine months.
† Loss.

ANGLO-CANADIAN

English-owned Producer Revamps Capital — Holding Own

Anglo-Canadian Pulp and Paper Mills, newsprint operators in Quebec, has not suffered to the same extent as other Canadian mills from conditions existing in the newsprint market.

The company owns extensive timber limits and a modern paper mill, which is situated at Quebec City and is fully equipped to handle 150,000 tons of newsprint per annum.

For the twelve months ended December 31 last, Anglo-Canadian had a surplus on its year's working, after allowing for depreciation, depletion and debenture interest. The company's financial statement is not made public but details as to its operations were issued when the company carried out some public financing during the earlier part of this year.

Redeem Old Debentures

Last May arrangements were completed for redeeming the 6½ per cent debentures of Anglo-Canadian Pulp and Paper Mills and replacing them with securities bearing 5 per cent interest.

The net effect of this arrangement was to release Anglo-Canadian of a substantial sum each year for interest charges and also means that the Daily Mirror and Sunday Pictorial Co. (controlling Anglo-Canadian), in addition to their considerable holdings of preference and common shares, will own all of the debentures of Anglo-Canadian Pulp and Paper Mills.

Common .... N.p.v.	135,000 shs.	135,000 shs.
1st Preferred .... Par $100.	$8,000,000	$8,000,000

Funded Debt—
5 per cent debentures, outstanding £3,230,000, issued to the Daily Mirror Newspapers Ltd. (of London, Eng.) for £3,180,000 cash. These debentures replace the issue of 6½ per cent debentures redeemed July 1, 1933.

Dividend Record—
1st preferred—7 per cent cumulative, payable April and Oct. 1. Initial dividend for 6 months paid Oct. 1, 1930; none since.
Common—None paid.

Officers and Directors—
Officers — Viscount Rothermere, pres.; F. W. Clarke, vice-pres.; G. H. Bridge, sec.-treas.
Directors—Viscount Rothermere, London, Eng.; F. W. Clarke, R. A. McInnis, Quebec, P.Q.; Sir Herbert S. Holt, Montreal; Sir Charles Fitzpatrick, Quebec, P.Q.; Hon. Smeaton White, Montreal; John Cowley, London, Eng.; F. J. Humphrey, New York; R. C. McMichael, Montreal; E. A. Sursham, Hon. Esmond Harmsworth, London, Eng.; W. J. Clark, Quebec, P.Q.; F. G. Bush, W. P. Creagh, Montreal.

Interlake Tissue Mills

Interlake Tissue Mills Co.'s operations have been less affected than those of other operators in the Canadian pulp and paper industry. The company's mill at Merritton, Ont., produces light-weight paper, napkins, towels, decorative crêpes and other high-grade specialty products. The demand for these items does not fluctuate greatly from year to year, with the result that operations of Interlake Tissue have been maintained at a fairly high level. Earnings have been influenced, of course, by existing conditions, but returns have been satisfactory.

There is no direct public investment interest in this enterprise. Financing was carried out privately and shareholders are few in number.

Capitalization—	Authorized	Outstanding
Common .... Par $100.	$1,000,000	$625,000

Funded Debt—
1st mtge. S F. bonds, 6 per cent, due 1935, outstanding $125,000.

Officers and Directors—
G. Carruthers, pres. and gen. mgr.; S. F. Duncan, vice-pres. and treas.; W. J. Parks, sec.; A. Fasken, S. B. Munroe, A. B. Connable, A. E. Curtonius, Kalamazoo, Mich.; T. A. Weldon.

Heads Industrial Field

Pulp and paper is the most important manufacturing industry in Canada; heading the lists in 1931 for gross and net values of manufactured products as well as for distribution of wages and salaries. In total capital invested the industry is second only to electric light and power plants and in total number of employees it is second only to sawmills.

PRICE BROS. AND CO.

Duke-Price Power Interests and Lord Beaverbrook Vie With Sweezey Syndicate for Control of Century-Old Saguenay Enterprise

Decision of the bondholders protective committee is expected shortly as to who will control the destinies of Price Bros. and Co.

Following the appointment of a receiver for this century-old operator last year, the bondholders formed a protective committee. For several weeks past this committee has been studying various proposals for the rehabilitation of the enterprise and its deliberations are generally understood to have narrowed down to two plans — one sponsored by the Duke-Price Power interests in association with Lord Beaverbrook and the other sponsored by R. O. Sweezey and syndicate.

Favor Duke-Price Plan

There have been no indications as to which plan is favored by the committee. The delay in reaching a decision might be interpreted as a hesitancy to accept either plan. There is a growing belief, however, that the offer of the Duke-Price interests will be accepted. The financial resources of this group are adequate to take over and run the property. At the same time Duke-Price is concerned in securing control of the company which at one time had contracted for 100,000 h.p. of electrical energy from the Duke-Price Power Co. This contract was voided when the company went into receivership and later into liquidation.

English Trade Profitable

Operations of Price Bros. & Co. have shown an improvement lately in common with that experienced by other operators. Probably the greatest change in the company's position is the improvement in the value of the English pound sterling. A large proportion of the output is marketed with Lord Beaverbrook's Daily Express in London. Nearly 50,000 tons of newsprint are marketed with the Daily Express each year, payment being made in English funds. When the value of the pound dropped to less than $4 in Canadian money, Price Bros.' net return at the mill was less than the cost of manufacture. This business now shows a nice profit.

Lumbering operations have also taken on a more encouraging appearance. Sales already made and enquiries from British importers hold out the hope that exports in the current year will be greater than those reported in 1932.

Bank Loans $4,400,000

Financially the position of the company is in need of considerable strengthening. Bank loans are in the neighborhood of $4,400,000. There are also heavy current liabilities, while interest on bonded indebtedness is in default since last year.

Earnings this year have been sufficent to take care of manufacturing and administration expenses, as well as interest on bank loans. The small balance left over represents only a fraction of the company's interest requirements which amount to nearly $700,000 annually.

Look After Bondholders

Affairs of Price Bros. & Co., however, will not be straightened away until the bondholders' committee comes to a decision in respect to the proposals put before by outside interests. In any plan adopted by the committee, provision will undoubtedly be made to take care of the obligations to the bondholders in full and provide the company with adequate working capital. Prospects for the preferred and common shareholders are not favorable and it is doubtful if the holders of these two classes of capital stock will receive much consideration in any plan of rehabilitation.

Capitalization—	Authorized	Outstanding
Common	$50,000,000	$42,683,200
Pref. 6½% cum. Par $100.	10,000,000	6,284,300

Funded Debt—
1st mtge. 6 per cent bonds, series A, due 1943, outstanding $11,061,600. Interest defaulted Aug. 1, 1932.

Dividend Record—
Preferred—Entitled to 6½ per cent cumulative, payable Jan., Apr., July and Oct. 1; paid regularly from 1926 to Jan., 1932; none since.
Common—None at present; 2 per cent paid regularly from 1921 to Oct. 1, 1931; none since.

Officers and Directors—
Officers—Allan A. Aitken, pres.; Maj. Andrew P. Holt, vice-pres.; G. B. Elwin, sec.
Directors — Allan A. Aitken, A. J. Brown, Sir William Stavert, V. M. Drury, W. P. Creagh, C. S. Richardson, G. Porteous, A. H. Lang, George T. Hardie, Montreal; Maj. A. P. Holt, Sir Ion Hamilton Benn, Sir Keith W. Price, London, Eng.

Earnings per Share and Dividend Record:
Year end. last day Feb.:

	‡1932	1932	1931
Pref.: Earned	nil	nil	$20.65
Paid	nil	$6.50	6.50
Com.: Earned	nil	nil	2.18
Paid	nil	1.25	2.00
Times Bond Interest Earned:			
Before deprec. & depl.	...	nil	4.69
After deprec. & depl.	nil	nil	2.93

‡Seven months ended Sept. 30.

Seven Years' Earnings—

Year	Earnings $	Dividends $	Surplus $
1927	4,063,211	1,308,664	2,229,911
1928	4,079,573	1,308,664	2,604,055
1929	3,413,715	1,304,329	2,667,146
1930	3,332,798	1,293,402	2,725,174
1931	3,308,954	1,284,983	2,802,420
1932	*583,769	952,933	175,254
1932†	666,150	......	*254,385

*Loss or deficit
†Seven months ended Sept. 30.

Market Record—

	*1933		1932		1931	
	H	L	H	L	H	L
Common	4⅞	1	5	1	42	25
Pref. .	13	4	2	2	99	70

*To September 19.

ST. LAWRENCE CORP.

Control of Lake St. John Unit Reverts to Bondholders —Plan of Decentralization Affects St. Lawrence Paper Mills and Brompton

Conditions surrounding St. Lawrence Corp., holding company for Brompton Pulp and Paper and St. Lawrence Paper Mills, have not been very satisfactory over the past twelve months. Sales of the group have been on a basis limiting plant operations to less than 50 per cent of capacity.

The holding company has also been faced with difficulties in connection with Lake St. John Power and Paper Co. This unit was brought under control of St. Lawrence Corp. in 1930. At the beginning of August, 1932, the company was forced to default on interest payments following which a protective committee was formed.

Timber Limits in Danger

The first mortgage bondholders' and debenture holders' committees investigated affairs of the company and found that it was in danger of losing its timber limits and also having its woodpile seized by the province of Quebec due to unpaid claims under agreements made at the time of purchase of the timber limits. This would eventually have resulted in the closing down of the plant and ceasing of operations.

It was also found that the sales contract of Lake St. John which requires the purchaser to take delivery of the entire output of the company's mill had not been lived up to, and the tonnage ordered for the first quarter of 1933 as well as during 1932 had been materially below the contract amount.

The committee were not satisfied with the management arrangements and negotiations were started whereby control of the company passed from the St. Lawrence Corp. to the bondholders' committee. Since the middle of this year Lake St. John has been operated as an independent unit.

Decentralize Operations

Consequent upon this action St. Lawrence Corp. has been left with two subsidiaries, namely, Brompton Pulp and Paper Co. and St. Lawrence Paper Mills Co. The shake-up resulting from the withdrawal of Lake St. John Power has had a direct bearing upon St. Lawrence Corp. There has been a process of decentralization. St. Lawrence Paper Mills has been placed under the control of the old management while Brompton is being operated by a special committee of St. Lawrence directors.

St. Lawrence Feels Conditions

Of the two subsidiaries, St. Lawrence Paper Mills' position does not appear to be as satisfactory as that of Brompton. St. Lawrence is handicapped by high wood and power costs, which, combined with a small volume of business, have not made for profitable operations. Attempts are being made to bring about an adjustment in operating costs so that the company will be in a more favorable position to meet present conditions.

At the end of 1932 St. Lawrence Paper Mills had a small bank loan, amounting to less than $250,000. Its working capital position was relatively satisfactory, though it may not be as strong by the end of the current year.

Committee Manage Brompton

As already mentioned, Brompton's operations are under the control of a special committee. The position of this unit has not been altogether unsatisfactory owing to the diversity of its products, production consisting of groundwood pulp, newspaper, kraft, pulp and paper, manila and fibre paper, fine bond and other papers, boxboard and lumber. This diversification has stood the company in good stead during the past two or three years.

The financial position of Brompton at end of last year showed a net working capital of $1,944,273. This was about $1,500,000 less than in the previous year, due largely to a substantial write-down in inventories. The company has no bank loans, while its capital obligations consisted solely of common stock.

Holding Company Weakened

The changes wich have taken place in the last twelve months have considerably weakened the position of the holding company. At one time St. Lawrence Corp. performed the management service for the three units, but its activities now have been circumscribed to those of a purely holding organization. As already pointed out, Lake St. John has withdrawn from the set-up, while St. Lawrence Paper Mills and Brompton are under direct management supervision.

Capitalization—	Authorized	†Outstanding
Common ..... N.p.v.	*2,000,000 sh.	567,710 sh.
Pref. A cum. conv. red. ..... Par $50.	$15,000,000	$14,719,750

*216,337 shares reserved for exchange against shares covered by outstanding subscription warrants, and options to subscribe of St Lawrence Paper Mills Co. and 600,000 for conversion rights of class A preferred stock of St. Lawrence Corp. (Subscription warrants expired April 15, 1933).
†Upon completion of exchanges there will be $15,000,000 class A and 585,005 common shares outstanding.

Funded Debt—
None.

Dividend Record—
Preferred—Entitled to 4 per cent per annum ($2), cumulative from April 1, 1930, payable Jan., April, July and Oct. 15. Initial dividend of 50c. per share paid July 15, 1930. Payment reduced to 2 per cent (25c. per quarter) with payment due April 15, 1931. Payment due July 15, 1931, deferred; none since.
Common—None paid.

Officers and Directors—
Officers—N. A. Timmins, chairman of board; Ernest Rossiter, pres.; A. F. White, vice-pres.; H. W. Cressy, vice-pres. in charge of sales; A. M. Creighton, sec.-treas.; A. C. Davy, asst. sec.-treas.
Directors—Ernest Rossiter, N. A. Timmins, J. I. Rankin, Sir Charles B. Gordon, Lt.-Col. Herbert Molson, Hon. Gordon W. Scott, R. O. Sweezey, A. K. Cameron, H. C. Flood, R. W. Steele, W. Wynne Robinson, Montreal; A. F. White, H. H. Horsfall, George R. Cottrelle, Toronto; E. W. Pittman, New York.

PROFIT AND LOSS ACCOUNT
For Year Ended December 31, 1932

Administration charges, net	$219,102
Assess. charged to subsid. cos.:	
St. Lawrence Paper Mills	86,890
Brompton Pulp & Paper	67,046
Lake St. John Power & Paper	65,166
	$219,102

Note:—No consolidated statements were issued for the year ended Dec. 31, 1932.

Three Years' Earnings—

Year	Earnings $	Dividends $	Surplus $
1929	*3,206,463	600,000	428,533
1930	2,759,875	377,782	1,924,564
1931	1,171,738	73,363	1,378,456

*Earnings of combined companies before consolidation.

Market Record—

	*1933		1932		1931	
	H	L	H	L	H	L
Com. ..	5⅛	15	1	⅝	4	½
Pref. .	12½	1	4	1⅛	12	2½

*To September 19.

ST. LAWRENCE PAPER MILLS

(Controlled by St. Lawrence Corp.)

Capitalization—	Authorized	Outstanding
Common ...... N.p.v.	†1,000,000 sh.	514,675 sh.
Pref. cum. red. . Par $100.	$10,000,000	$14,225,600

†94,837 shares reserved against allotment certificate subscription warrants; 105,000 against other subscription warrants identical in form. Further 16,500 shares under option at varying prices. Common shares of parent company are now reserved against these warrants and options to purchase. (Subscription warrants expired Apr. 15, 1933). Upon completion of exchange all these shares will be held by the parent company. As at Dec. 31, 1932, 498,235 shares, over 95 per cent were so owned.

Funded Debt—
None.

Dividend Record—
6 per cent cumulative from April 15, 1926, payable Jan., April, July and Oct. 15; paid regularly until April 15, 1931, when payment reduced to ¾ of 1 per cent; payment due July 15, 1931, deferred; none since.
Common—None paid.

Officers and Directors—
Officers—Ernest Rossiter, pres. and gen. mgr.; N. A. Timmins, chairman; J. I. Rankin, vice-pres.; A. M. Creighton, sec.-treas.; A. C. Davy, asst. sec.-treas.
Directors—Ernest Rossiter, N. A. Timmins, H. C. Flood, R. W. Steele, J. I. Rankin, A. K. Cameron, Arthur H. Campbell, all of Montreal.

Earnings per Share and Dividend Record:

	1932	1931	1930
Preferred: Earned ..	nil	$0.24	$6.85
Paid	nil	0.75	6.00
Common: Earned ...	nil	nil	0.24
None paid.			

Seven Years' Earnings—
Year End. June 30:

Year	Earnings $	Dividends $	Surplus $
1925	868,469	383,000	351,567
1926	*969,695	200,000	587,460
1927	*1,143,592	200,000	770,478
1929†	*1,430,734	888,770	738,038
1930	*1,389,496	855,000	859,811
1931‡	427,452	106,875	640,134
1932‡	§286,671	......	§944,245

*After deduction of all manufacturing and other charges and expenses, including depletion and income tax, but before provision for depreciation.
†May, 8, 1928 to June 30, 1929. From date of organization of present company. No statement is available for the period from June 30, 1927, to May 8, 1928. Statements given for previous years are of the predecessor company, St. Lawrence Paper Mills.
‡Year ending Dec. 31.
§Loss or deficit.

Market Record—

	*1933		1932		1931	
	H	L	H	L	H	L
Pref. .	25	2¾	11	1⅜	80½	10

*To September 19.

BROMPTON PULP & PAPER

(Controlled by St. Lawrence Corp.)

Capitalization—	Authorized	Outstanding
Common ...... N.p.v.	500,000 shs.	*300,000 shs

*Upon completion of exchange all these shares will be owned by the parent company. As at Dec. 31, 1932, 294,395 shares were owned.

Funded Debt—
Obligations of McCrea-Wilson Lumber Co., Guaranteed:

6% first mtge. bonds, due 1939		$465,000
6% gen. mtge. S. F., due 1937..		110,500

Dividend Record—
Common—None at present. Was $2 per annum, payable Jan., April, July and Oct. 15. Reduced to $1 per annum with quarterly payment April 15, 1931; payment due July 15, 1931, passed; none since.

Officers and Directors—
Officers — E. Rossiter, pres.; R. W. Steele, vice-pres.; A. M. Creighton, sec.-treas.; A. C. Davy, asst. sec.-treas.
Directors—E. Rossiter, N. A. Timmins, J. I. Rankin, R. O. Sweezey, R. W. Steele, W. Wynne Robinson, Montreal; G. R. Cottrelle, A. F. White, Toronto.

LAKE ST. JOHN POWER AND PAPER

(Controlled by St. Lawrence Corp.)

Capitalization—	Authorized	Outstanding
Common ...... N.p.v.	100,000 shs.	†100,000 shs.
Preferred cum. .. Par $100.	$4,000,000	*$3,600,000

*All these shares held by St. Lawrence Paper Mills Co.
†Upon completion of exchange, all these shares will be held by parent company. As at Dec. 31, 1932, 99,246 shares were so owned.

Funded Debt—
1st mtge. S. F. bonds series A, 6½ per cent, due 1947, outstanding $4,711,000.
Mtge. debentures, series A, 6½ per cent, due 1942, outstanding $2,822,000.
Prior lien bonds, authorized $1,000,000. Interest on the bonds and debentures in default since Aug. 1, 1932. Payment postponed to Aug. 1, 1934.

Officers and Directors—
Officers—D. H. McDougall, chairman of board; A. S. McNichols, pres.; A. M. Creighton, sec.-treas.; A. C. Davy, asst. sec.-treas.
Directors—D. H. McDougall*, H. H. Horsfall*, Col. R. F. Massie†, Toronto; Arthur H. Campbell‡, A. S. McNichols†, J. I. Rankin‡, John Stadler*, Montreal.

*Representing bondholders.
†Representing debenture holders.
‡Nominees of St. Lawrence Corporation.

Protective Committees
Bondholders: D. H. McDougall, Toronto, chairman; G. A. Dobbie, Galt; H. Horsfall, Toronto; H. R. Jackman, Toronto; A. F. White, Toronto; W. S. Lighthall, Montreal, and John Stadler, Montreal.
Debenture holders: A. S. McNichol, Montreal, chairman; Arthur Jones, Montreal; W. H. Marsh, Toronto; J. W. Mitchell, Toronto; R. R. Corson, Lt.-Col. R. F. Massie, Toronto; C. G. Cockshutt, Brantford.

Times Interest Earned—	1932	1931
Bond interest:		
Before deprec. & depl. ...	1.27	1.79
After deprec. & depl.	0.70	0.97
Debenture interest:		
Before deprec. & depl. ...	0.44	1.35
After deprec. & depl.	...	...

BROWN CORP.

Pulp Operations on Larger Scale — Plan Large Cut of Timber

Brown Corp., a subsidiary of the Brown Corp. of New Hampshire, owns and operates a sulphite mill at La Tuque, P.Q., producing about 240 tons of sulphate pulp daily and, in addition, a fair volume of by-product chemicals. It is also engaged in the manufacture of lumber, but the pulp division is the company's major interest in this country.

There is a limited Canadian investment interest in this enterprise and as its statements are consolidated with those of the parent company, little information is available.

One of the principal developments in connection with Brown Corporation over the last year was the sale of an undeveloped water power site on the Upper St. Maurice River to the St. Maurice Power Corp. The latter concern is jointly controlled by Shawinigan Water and Power Co. and the Brown Corporation. As a consideration of the deal, Brown Corporation received a large cash payment, together with a block of stock in the holding company.

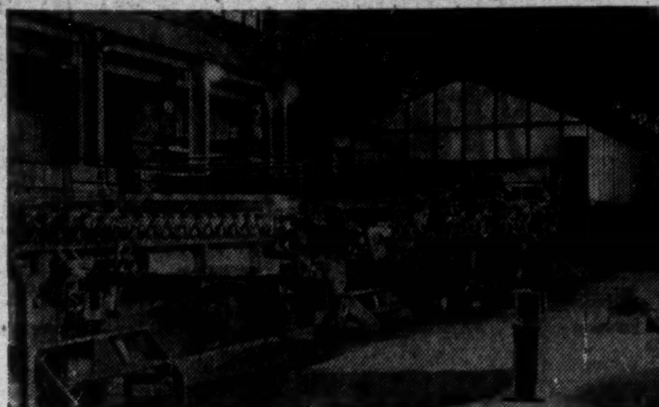
Mill operations are currently reported to be at a much higher operating ratio. The improvement in the market for chemical pulp has reacted to the company's benefit. Present plans are for the cutting of between 50,000,000 and 60,000,000 feet of lumber this winter. This is practically double last year's cut.

Capitalization—	Authorized	Outstanding
Common	$14,000,000	$14,000,000

Entire stock owned by Brown Co.

Officers—
H. J. Brown, pres., Portland, Me.; O. B. Brown, vice-pres. and sec.-treas.; W. R. Brown, gen. mgr.

Directors—
H. J. Brown, O. B. Brown, W. R. Brown, D. P. Brown.



Cut COSTS With MODERN MACHINERY

During recent years industrial machinery and equipment of all kinds have not only been wearing out, but have been becoming obsolete and inefficient. This has also been true of the pulp and paper industry, and while mill managers have known that better equipment was available, they have been forced to make shift or do without. Now, as business revival proceeds, wise mill managers will seek to bring their mills up to date and place themselves in the most favourable competitive positions as quickly as possible.

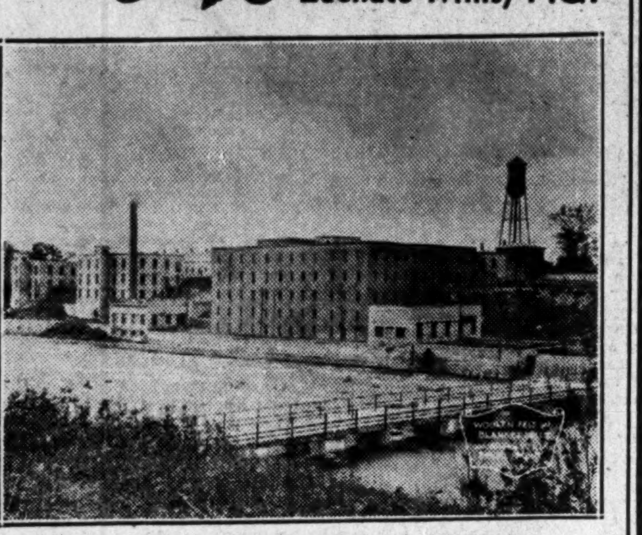
Dominion Engineers are at the service of mill executives confronted with the present-day problems of increasing the output, improving the performance, or diversifying the products of existing paper machines.

D
DOMINION ENGINEERING Works Limited
MONTREAL CANADA

BATHURST POWER and PAPER COMPANY
LIMITED
BATHURST, New Brunswick
Manufacturers of
Newsprint Paper
Kraft Fourdrinier
Board
Sulphite Pulp
Direct Rail or Ocean Transportation
CABLE ADDRESS:
"WONGAN"
Codes A.B.C. 5th
"Western Union" Five Letter

Established 1870

Ayers LIMITED
Lachute Mills, P.Q.



PIONEERS AND LARGEST MANUFACTURERS IN CANADA OF

PULP and PAPER MAKERS' WOOL FELTS

Also large producers of
Heavy Cotton Duck (Dryer Canvas) for Paper Machines
Cotton Transmission Rope
Pure Wool Blankets
Blanket Cloths, Roller Cloths,
Stereotypers' and Printers' Blankets

GREAT LAKES

Receiver Has Success in Securing Contracts—Surplus Increased

Great Lakes Paper Co. operations continue to be directed by National Trust Co., acting as receiver and manager, a position assumed in July, 1931. During the present year the company has been operated on a sounder basis in that a settlement between receivers of the company and receivers of Minnesota & Ontario Paper Co. was effected late in 1932 whereby Great Lakes Paper Co. was assigned title to definite contracts for newsprint. The company was also able to secure other business and operations in 1933 have been around 65 per cent of capacity. A conveyor and storage warehouse was built at a cost of $60,000 to facilitate water shipments.

The company owns a low-cost newsprint mill of 100,000 tons annual capacity located at Fort William and has timber and pulpwood limits under lease sufficient to supply the needs of the mill operating at capacity for many years. Formerly the company marketed its product through Minnesota & Ontario Paper Co. but this corporate alliance no longer exists and Great Lakes Paper Co. is in a position to secure and execute orders of its own.

Earnings have been sufficient to cover operating costs, receiver's charges and build up some surplus but as yet no payment has been made to holders of the $10,000,000 of 6 per cent first mortgage bonds on which interest has not been paid for over two years, interest due March 1, 1931, and thereafter being in default. Present prices for newsprint do not permit the company to earn interest charges. The company is well located to serve mid-western markets.

In the year ended December 31, 1930, net income of the company, available for bond and bank interest and depreciation amounted to $1,740,369. A statement issued in March, 1933, covering the period of receivership from July, 1931, to December 31, 1932, showed net income of $330,646 of which $235,994 was from exchange. At the end of 1932 the company had a reasonably good liquid position with cash amounting to $93,832.

Capitalization—	Authorized	Outstanding
Common ...... n. p. v.	750,000 shs.	750,000 shs.
Pref. 6% cum. .. Par $100.	$10,000,000	$10,000,000

Funded Debt—
1st Mtge. S. F. bonds, series "A," 6 per cent, due 1950, outstanding $10,000,000. Interest defaulted Mar. 1, 1931.

Officers and Directors—
Officers—E. W. Backus, pres.; S. W. Backus, vice-pres. and treas.; S. Johnston, sec.
Directors—E. W. Backus, S. W. Backus, R. D. Main, Minneapolis; G. McLean, International Falls, Minn.; D. McLeod, Kenora, Ont.
Bondholders' Committee — Rt. Hon. Arthur Meighen, K.C., chairman; A. D. Cobban, J. H. Ratcliffe, of Toronto; Louis L. Lang, Galt, Ont.; R. P. Matthiessen, Chicago; and H. D. Thrall, Minneapolis. Secretary R. G. Meech, 1710 Canadian Bank of Commerce Bldg., Toronto.

OPERATING STATEMENT
Receiver's Period July 14, 1931 to Dec. 31, 1932

	$
Operating profit	287,768
Less: Allowances by court to trustee & rec. & mgr.	87,903
Adminis. & gen. exp.	56,522
Govt. fire & land taxes on timber limits	61,882
Fire protection aircraft oper., net	3,491
	78,030
Add: Int. earned on bank deposits & invest.	13,961
Cash discounts	2,661
Exchange received	235,994
	330,646
Less: Gen. res. for conting.	75,000
Adjust. of pulp invent. to mkt. val. Dec. 31, 1932, applied to receiver's purchases	42,325
Receiver's gross profit before int. and deprec.	213,321

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And those of you who HAVE, know that to-day as NEVER before—MANUFACTURING COSTS are a MOST Essential FACTOR in BUSINESS.
REDUCING your WIRE COSTS is "RIGHT UP OUR STREET" and "CAPITAL" wires with our "RADIO SEAMLESS JOINT" will do the Trick.
Let us prove it.

CAPITAL WIRES

THE CAPITAL WIRE CLOTH & MFG. CO. LTD.
OTTAWA Established 1912 CANADA

HINDE & DAUCH

Earnings Gain in 1933 Despite Increased Cost of Scrap Paper

Improvement in earnings will be shown by Hinde & Dauch Paper Co. of Canada in the current year and it is expected that the company will earn bond interest and the usual reserve for depreciation in full. Demand has been greater during 1933 and mills of the company have been operated near capacity. Low prices for liner board, the company's chief products as a result of intensive competition and increased cost for scrap paper, have kept profit margins low. These factors have been offset to some extent by increased volume and economies in operation.

One of the largest manufacturers in Canada of fibre shipping containers, corrugated paper products, liner board and straw board, the company is in a position to take full advantage of any improvement in demand. Higher prices for liner board, possible during 1934, would enable the company to show earnings on its common stock. Late in 1932, the company opened a boxboard division at comparatively little expense and results have been very satisfactory from the standpoint of profits. Plants of the company are located in Toronto, Montreal and Trenton.

Capitalization—	Authorized	Outstanding
Common ...... n. p. v.	300,000 shs.	299,933 shs.

Funded Debt—
1st mtge. S. F. bonds, series "A," 5½%, due 1948, outstanding $1,289,500.

Dividend Record—
Common—None at present. Formerly $1 per share per annum. Initial quarterly dividend of 25c. per share paid July 2, 1928, and regularly thereafter up to and including Jan. 2, 1930. The dividend due April 2, 1930, was passed and no dividends have been paid since.

Officers and Directors—
Officers—S. Frohman, pres; L. F. Winchell, vice-pres. and gen. mgr.; J. H. MacLeod, sec.; T. E. Lloyd, treas.; M. H. McArthur, gen. sales mgr.
Directors—S. Frohman, J. H. MacLeod, Sandusky, Ohio; M. H. McArthur, L. F. Winchell, T. E. Lloyd, R. L. Warren, Toronto, M. H. Murch, Cleveland, Ohio.

Times Bond Interest Earned:

	1932	1931	1930
Before deprec.	2.50	nil	2.79
After deprec.	0.30	nil	1.23

Earnings per Share and Dividend Record:

Com: Earned	nil	nil	$0.02½
Paid	...	...	...

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1926	556,328	......	432,436
1927	692,022	......	557,274
1928	773,324	......	528,504
1929	455,717	......	191,711
1930	214,308	......	7,522
1931	*33,771	......	*298,466
1932	205,382	......	*57,271

* Loss or deficit.

Market Record—

	*1933 H	*1933 L	1932 H	1932 L	1931 H	1931 L
Common	8	2	3	1	4	1

* To September 19.

QUEBEC PULP

Readjustment Plans Are in Progress — Plants Are Idle

Revision of the capital structure of Quebec Pulp and Paper Corp. is a development likely to occur before long. Steps have already been taken to effect certain changes which will permit the management to carry out a plan of reorganization. To this end, the Chicoutimi Pulp Mills have been sold to the Chicoutimi Mills Ltd., a wholly owned subsidiary, for a nominal price of $500,000. Of the other two plants owned by the company, the one at Val Jalbert was dismantled some time ago, while the third plant at Chicoutimi has been in disuse for a long time.

Quebec Pulp and Paper has been operating at a loss for several years. It has large areas of valuable timber lands, but the state of the pulp market for some years has been such as to prevent the company from operating profitably. Consequently the management has centered its efforts on maintaining the property and keeping down overhead costs.

Public Own Preferred

The only public investment interest in this enterprise lies in the preferred stock, of which $7,000,000 is outstanding. The common stock is owned jointly by Price Brothers & Co. and Consolidated Paper, the latter having acquired its interest through the absorption of Port Alfred Pulp and Paper.

Financially Quebec Pulp and Paper is in a satisfactory position. It has cash resources of over $600,000, while investments, formerly carried at $721,536, now appear on the books at $70,042. Inventories have been reduced to a nominal figure.

Capitalization—	Authorized	Outstanding
Common .... N.p.v.	100,000 sh.	100,000 sh.
Pref. non-cum. red. Par $100	$7,000,000	$7,000,000

Common—All held jointly by Port Alfred Pulp & Paper Corp. and Price Bros. & Co.

Dividend Record—
Preferred—7 per cent per annum. None paid to date.
Common—None paid.

Officers and Directors—
Officers—A. Stewart McNichols, pres.; C. R. Whitehead and Major Edward Flynn, vice-presidents; Oswald Brand, treas.; J M. Carignan, sec.
Directors—A. Stewart McNichols, Geo. M. McKee, John G. Porteous, George Henderson, C. R. Whitehead, Montreal, P.Q.; John H. Price, G. B. Elwin, Major Edward Flynn, Quebec.

CONS. INCOME & SURPLUS ACCOUNT
Years Ended December 31

	1932 $	1931 $
Revenue	42,473	36,216
Non-oper. exp.	234,729	237,863
Loss before deprec. ..	192,256	201,647
Prev. deficit	1,093,202	945,664
W/o mills & lands ...	2,113,441	......
Contingent res.	199,300	......
Less: Trans. from conting. res.	......	54,116
Capital surplus	639,191	......
Deficit forward	2,959,008	1,093,202

DON VALLEY PAPER

Company Improves Position Though Prices and Dollar Volume Drop

Don Valley Paper Company during the last six years has made good progress in manufacturing and sales. It has done well not only in its lines of cover paper, Bristol board, tags and colored specialties, which it has been pushing during this time, but in the three grades of blotting paper which were added early in 1932. These three grades of blotting papers are sold in different weights and colors. The business from this line has been of excellent service to the company in enabling it to keep up physical volume when adverse business conditions tended to diminish demand.

Sales in 1933 have in physical volume been up to those of 1932 but because prices were down about 10 to 15 per cent the actual sales in dollar value were down that much. In spite of this drop in price the company managed by further economies to exceed the profits of 1932 when the company was operating under prices lower than a year earlier.

Dividends on the 679 shares of $100 par value 7 per cent preferred stock were earned but will not be paid as the company, according to the president, feels that the better course is to turn the money back into plant until the business situation has been definitely stabilized along better lines. He states that the policy of improving plant and ensuring more efficient production is being and will be continued.

Capitalization—	Authorized	Outstanding
Preferred 7% .... Par $100.	1,500 shs.	679 shs.
Common .... N.p.v.	5,000 shs.	2,967 shs.

Officers—
N. E. Wainwright, pres.; R. H. Joyce, vice-pres.; J. F. MacKenzie, supt.

JAMES MACLAREN CO.

Latest Newsprint Producer Sets Up Own Selling Agency

Newsprint operations of the James MacLaren Co., Buckingham, P.Q., have changed for the better in recent months. It will be recalled that this company completed a newsprint mill of 250 tons daily capacity late in 1930. Arrangements were entered into with the St. Lawrence Paper Sales Corp. whereby the latter would handle the output of the Masson plant. In 1931 the company operated at about 48 per cent of rated capacity and at about the same rate in 1932.

About the middle of this year marketing arrangements were changed. The company cancelled its agreement with the St. Lawrence Paper Sales Corp. and established its own paper-selling unit under the name of the MacLaren Newsprint Sales Ltd. This arrangement is said to be more satisfactory and has already resulted in an increase in the volume of business sufficient to permit the company to operate two machines.

Part of Larger Scheme

Newsprint operations of James MacLaren are tied in with the larger scheme of the MacLaren Power and Paper Co. which, in addition to controlling James MacLaren, controls extensive lumber operations and the MacLaren-Quebec Power Co. No particulars are published as regards the financial returns from the newsprint operations, revenues from all divisions being consolidated in the account of the MacLaren Power and Paper Co.

Capitalization—	Authorized	Issued
Common .... N.p.v.	750,000 shs.	500,000 shs.

Funded Debt—
None, but MacLaren-Quebec Power Co., subsidiary, has outstanding $12,000,000 5½ per cent first mortgage bonds, series A, due 1961.
President—Albert MacLaren.

E. B. EDDY CO.

New Newsprint Contracts Increase Operations of Hull Plant

Newsprint operations of the E. B. Eddy Co. have shown a substantial increase as a result of new contracts entered into with American publishers. The operating ratio of the mill has recorded an appreciable advance and it is expected by the end of the year that plant will be operating near capacity.

The company is continuing its programme of renovations and improvement to property, although the question of further expansion in the form of new buildings will not be proceeded with until officials have had an opportunity of seeing how the present business improvement will stand up in coming months.

Plant Renovation Plan

It will be recalled that beginning in 1932 the company announced that it was going to overhaul its plant facilities. The first step was to install a new water filtration plant at a cost of several hundred thousands of dollars. This work was completed last year. Other plans provided for the renovation of the sulphite pulp unit, enlargement of boiler capacity, rearrangement of storage and handling facilities, additional pulp preparation equipment and a new head office building.

The E. B. Eddy Co. has a widely diversified line of products, including newsprint and bond papers principally. The company has been in operation for over 80 years and has established strong outlets for its products. Consequently it has been able to maintain plant operations on a relatively high basis while earnings have been such as to permit regular distribution on the company's capital stock.

There is no direct public investment interest in this company. A minority interest amounting to 49 per cent is owned by Canadian Hydro-Electric Corp.

Capitalization—	Outstanding
Capital stock, par $100	$300,000

Dividend Record—
Dividends have been continuously paid for many years, payments not made public.

Officers—
V. M. Drury, pres.; C. V. Caesar, man. dir.

WESTMINSTER PAPER

Pacific Coast Specialty Producer Maintains Sales Volume

Net sales of Westminster Paper Co. were practically unchanged at $463,180 for the 12 months ended July, 1933, but gross and net profits were on larger basis than that reported in the preceding year. Improved earnings were due largely to general economies in operations and concentration of the sales force on the more profitable items.

After increased provision for depreciation and income tax reserve, and payment of dividends at the rate of 20 cents a share, surplus was increased by a small amount and working capital strengthened.

Reduce Sales Expense

For the past three fiscal years sales have showed little change but manufacturing costs, selling and administration expenses have been reduced.

The company's main plant is located at New Westminster, B.C., and is engaged in the manufacture of paper specialties of a wide variety. The products are sold in Canada and in 17 export markets, including Australia, New Zealand, South Africa and China.

In addition to the Canadian properties, the company controls the Pacific Coast Paper Mills which operate a similar business at Bellingham, Washington.

Bonds Are Guaranteed

The company's New Westminster property was destroyed by fire in July, 1929. Plans were immediately made to re-establish the industry and to that end new financing was undertaken. This consisted largely of a bond issue of $300,000, the interest on which was guaranteed by the City of New Westminster. In the same year a block of the company's common stock was offered to the public at $10 a share.

Capitalization—	Authorized	Outstanding
Common .... Par $10.	$500,000	$477,890

Funded Debt—
First mortgage S. F. bonds, 6½ per cent, due 1950, outstanding $299,000.

Officers and Directors—
Officers—J. J. Herb, pres. and mgr.; A. W Gray, vice-pres.; H. M. Lord, sec.-treas. and purchasing agent.
Directors — J. J. Herb, Bellingham, Wash.; H. M. Lord, J. G. Robson, John Peck, A. W. Gray, New Westminster; C. S. Henley, F. Smith, F. Wright, Vancouver.

Times Interest Earned:

Yr. end July 31:	1933	1932	1931
Before deprec	4.21	3.15	2.78
After deprec.	2.60	2.36	2.12

Earnings per Share and Dividend Record

Com.: Earned	$0.45	$0.42	$0.46
Paid	0.40	4% Stk.	nil

Supplies Cost $50,000,000

The total value of all materials going into the manufacture of pulp in 1931 was $50,644,699 and the total value of all pulp produced, including that made in combined pulp and paper mills for their own use was $84,780,819.

SUPERFINE LINEN RECORD

For letterheads and all important forms and documents where permanence, dignity, character and impressiveness are essential . . . choose Canada's finest all-rag paper. For more than fifty years it has played a leading part in the commercial and legal life of the Dominion. Federal and Provincial governments know its value for receiving and preserving vital records. Let Superfine Linen Record carry YOUR correspondence and records . . . to your greater satisfaction and enhanced prestige.

This watermark identifies Superfine Linen Record, Rolland Antique, Earnscliffe Linen Bond, Colonial Bond, Mount Royal Bond, Service Bond, and other fine papers.

ROLLAND PAPER COMPANY LIMITED
MONTREAL
High Grade Paper Makers since 1882
Mills at St. Jerome, Que. and Mont Rolland, Que.

ST. REGIS PAPER

Operations in Canada Are Reduced to Limited Proportions

St. Regis Paper Co. of Canada, over 98 per cent of the outstanding capital stock of which is owned by the St. Regis Paper Co. of New York, has reduced its operations in Canada to a negligible proportion.

At one time this company engaged in extensive pulpwood operations. The pulpwood was shipped by water to the parent company's plant in New York State.

Several years back the company announced its decision to go ahead with an expansion plan of some magnitude in order to more fully exploit its timber leases in Quebec. This plan was never carried out, owing to the unsettled state of the newsprint market, and operations continue to be confined to pulpwood cutting.

Capitalization—	Authorized	Outstanding
Common .... Par $5.	$500,000	$500,000

All owned by St. Regis Paper Co., New York.

Funded Debt—
Serial debentures 6½ per cent, dated Jan. 1, 1924; due $75,000 annually to June 1, 1933; $825,000, 1934; outstanding $900,000.

Officers and Directors—
Officers—H. E. Machold, pres.; C. E. Norris, vice pres.; R. K. Ferguson, vice-pres. and sec.; C. B. Martin, treas.
Directors—F. L. Carlisle, R. K. Ferguson, C. E. Norris, H. E. Machold, C. B. Martin, R. B. Maltby, W. K. Dick, C. R. McMillen.

Paper Worth $143,957,000

The 71 mills making paper in 1931 produced 2,611,225 tons of paper valued at $148,957,264 as compared to 2,926,787 tons in 1930 valued at $173,626,383 a decrease of 10.78 per cent in quantity and 17.1 per cent in value.

Employ 26,000 Workers

Total number of employees on salaries and wages in pulp and paper mills in 1931 was 26,669 and the total payroll was $34,792,013 as compared to 33,207 employees in 1930 with salaries and wages amounting to $45,774,976.

KEEP OUT! says this STELCO FENCE

ORNAMENTAL IRON FENCE
Made in various standard and special patterns for every fence purpose.

When the Hydro-Electric Power Commission decided on a new power line installation at Ottawa they planned permanent protection for transformers and other valuable distribution equipment. A Stelco Chain Link Fence was ordered and erected before the electrical installation work was finished. Thus was protection provided, not only for public property but for the public itself against dangerous high voltages.

Stelco Chain Link Fence is manufactured in our own plants from ore to finished product. It is made of strong copper-bearing steel wire heavily galvanized after weaving and is erected by our own construction crews on Stelco scale-free galvanized pipe.

Estimates or full information freely supplied without obligation.

THE STEEL COMPANY OF CANADA, LIMITED
HAMILTON - EXECUTIVE OFFICES - MONTREAL
SALES OFFICES: HALIFAX, ST. JOHN, MONTREAL, TORONTO, HAMILTON, WINNIPEG, VANCOUVER
WORKS: HAMILTON, MONTREAL, TORONTO, BRANTFORD, LONDON, GANANOQUE

MINNESOTA & ONTARIO PAPER

Low Price on Newsprint Retards Recovery — Income Just Meets Operating Costs — No Plan of Reorganization Yet Presented

Minnesota & Ontario Paper Co. has been in receivership since February, 1931, and ultimate reorganization seems assured but as yet no plan of reorganization has been made public. It is reported that there has been no substantial improvement in earnings in the current year but that operating costs are being covered. The report of the receiver, issued in April, 1933, indicated that cash position was adequate to meet current requirements. The effect of increased volume of sales with lower prices than were in effect in 1932 remains to be seen.

The company manufactures and distributes newsprint, kraft paper, pulp and lumber. It controls directly, or through subsidiaries, mills at Kenora and Fort Francis, Ont., and at International Falls, Minn. It generates its own power and supplies the power to Fort Francis and International Falls. Annual capacity of mills is 250,000 tons of newsprint, 34,000 tons of kraft liner board, 300,000,000 ft. of insulating material and 125,000,000 ft. of rough and finished lumber, box shooks and crating. Hydro-electric power developments have a combined capacity of 65,000 h.p. The company has extensive leases on timber and pulpwood limits in Ontario.

Interests of the bondholders are in the hands of a protective committee.

In the year ended December 31, 1932, Minnesota & Ontario Paper Co. and subsidiaries, excluding National Pole & Treating Co. and Memphis Commercial Appeal Inc., had net income of $73,036 before charging interest, depreciation and other special deductions. Interest and inventory deductions amounted to $381,764 while unpaid interest on funded debt, and provision for depreciation amounted to $4,010,205 leaving a net deficit for the year of $4,318,933. Sales during 1932 totalled $8,338,765.

Capitalization—	Authorized	Outstanding
Common	$15,000,000	$10,092,000
Pref. 6% cum. ..	5,000,000	4,036,000
Par $100.		

Funded Debt—

1st mtge. S. F. bonds, 6 per cent series A, due serially 1930 to 1945, outstanding $15,400,000; series B, due 1948, $4,000,000; series C, due 1950, $5,000,000. Interest in default on A and B series since Apr. 1, 1931; on C series since May 1, 1931.

Six per cent gold notes, due Mar. 1, 1931, issued $3,500,000. Principal and interest due Mar. 1, 1931, in default.

In Feb., 1932, holders were advised that all creditors were required to file their claims on or before March 1, 1932.

Town of Kenora debs. due 1936-1942, outstanding $835,000. Secured by special deposit with trustee of $350,000.

National Pole & Treating Co. 6 per cent gold notes, due 1936, outstanding $1,889,110.

Times Interest Earned:	1932	1931	1930
Before deprec	0.03	0.10	1.21

SPRUCE FALLS POWER & PAPER

Does Better Than Most Newsprint Companies — Sells to New York Times and Kimberly-Clark Co. — Gets Power from Smoky Falls

Net earnings of Spruce Falls Power & Paper Company, which is controlled by the Kimberly-Clark Co., dropped sharply in the year ended April 30, 1933, being reported at $763,375 as compared with $2,049,758 in the preceding year. Bond interest was earned after depreciation and the company had a net profit of $32,150 after provision for taxes. Payment of dividends on first and second preference stock for six months of that year wiped out operating surplus although a capital surplus exceeding $10,000,000, remains.

Though sales of the company of newsprint, paper and sulphite pulp were down by 20.4 per cent on tonnage basis and 40 per cent down on the basis of dollar value, as compared with the preceding year, it is interesting to note that increase in advertising space and, therefore, in size of papers of United States journals in recent weeks gives hope that demand will be improving in the current year. The Kimberly-Clark Company contracted to purchase the entire surplus output of sulphite of this company and the New York Times purchases its standard newspaper requirements from the company.

Bank Loans Paid Off

During the fiscal year, the company retired $1,000,000 of its outstanding bonded indebtedness and reduced bank loans by $500,000 from $1,082,692. Since April 30, it is understood that bank loans have been entirely paid off.

The company's plant is at Kapuskasing, Ontario, on the Canadian National Railways' transcontinental line. About 185 tons of the 280 tons daily production of the sulphite pulp mills are used by the paper mill, and the surplus of 95 tons goes yearly to the Kimberly-Clark Company under contract.

Capitalization—	Authorized	Outstanding
Common .... N.p.v.	200,000 sh.	200,000 sh.
1st pref. cum. 7%	$9,500,000	$8,900,000
2nd pref. cum. 7%	5,500,000	5,000,100
Par $100.		

Kimberly-Clark Corp. holds $2,500,000 first preferred; $5,000,100 second preferred, and 102,000 common shares, the balance being held by the New York Times Company.

Funded Debt—

1st mtge. serial bonds, 5½ per cent, due 1930-43, outstanding $12,000,000.

Dividend Record—

Dividends paid regularly to October 1, 1932, on both classes of preferred; none paid since.

Officers and Directors—

Officers—F. J. Sensenbrenner, pres.; J. C. Kimberly, vice-pres.; E. S. Noble, gen. mgr.; G. Barber, treas.; E. Mahler, sec.

Directors—Representing Kimberly-Clark Corp.—F. J. Sensenbrenner, J. C. Kimberly, E. Mahler, Neenah, Wis.; G. Barber, Toronto. Representing the New York Times—A. S. Ochs, A. H. Sulzberger and J. O. Adler, all of New York City.

Times Bond Interest Earned— Yr. End. Apr. 30:	1933	1932	1931
After deprec. & depl.	1.10	2.64	1.95

Earnings per Share and Dividend Record—			
First pref.: Earned.	$0.36	$12.48	$8.47
Paid	3.50	7.00	7.00
Second pref.: Earn.	nil	9.87	2.61
Paid	3.50	7.00	7.00
Common: Earned ..	nil	0.67	nil
None paid.			

Six Years' Earnings— Year	Earnings $	Dividends $	Operating Surplus $
1928	*140,434	......	*141,327
1929	1,175,458	471,445	6,681
1930	2,229,525	973,007	292,271
1931	1,661,021	973,007	72,866
1932	2,049,758	973,007	206,121
1933	763,375	486,504	4,718

*Deficit due to the fact that the company's mill was not in full operation.

PACIFIC MILLS

Pacific Mills, owning and operating a newsprint mill at Ocean Falls and a converting plant and board factory in Vancouver, was able to show a net profit of $36,242 after all charges as a result of its operations in 1932.

In the early part of this year Pacific Mills started manufacture of an important side-line in the form of fibre containers which are used extensively by the sugar, fruit and dairy industries of British Columbia. To this end the company invested about $127,000 in new plant and equipment at Vancouver.

In addition, the company has expanded its facilities for the manufacture of solid fibre boxes at Ocean Falls and Vancouver plants.

Capitalization—	Authorized	Outstanding
Pref. 6%	$2,000,000	$1,994,100
Common	7,500,000	7,500,000
Par $100.		

Funded Debt—

6 per cent 1st mortgage bonds, outstanding $4,070,900.

Officers—L. Bloch, chm.; A. B. Martin, pres.; A. J. Lewthwaite, F. N. Youngman, vice-pres.; C. L. Barker, treas.; J. H. Lawson, sec.

Brown Corporation

(A Canadian Corporation)

The holdings of this corporation comprise a pulp-making plant with a daily capacity of 300 tons of sulphate pulp, and chemical works for utilization of all waste, representing a cash investment of $19,000,000.

Water-power (developed and undeveloped), 140,000 h.p. The corporation's timber lands comprise approximately:

1,000,000 acres in fee simple
2,300,000 acres in timber leases
160,000 acres in stumpage

With an estimated total of over 13,000,000 cords of pulpwood, the corporation has practically an unlimited supply of raw material.

Manufacturers know Brown Corporation as a concern making a variety of pulps for special purposes. The most recent and outstanding achievement is Solka, a highly purified Alpha Cellulose.

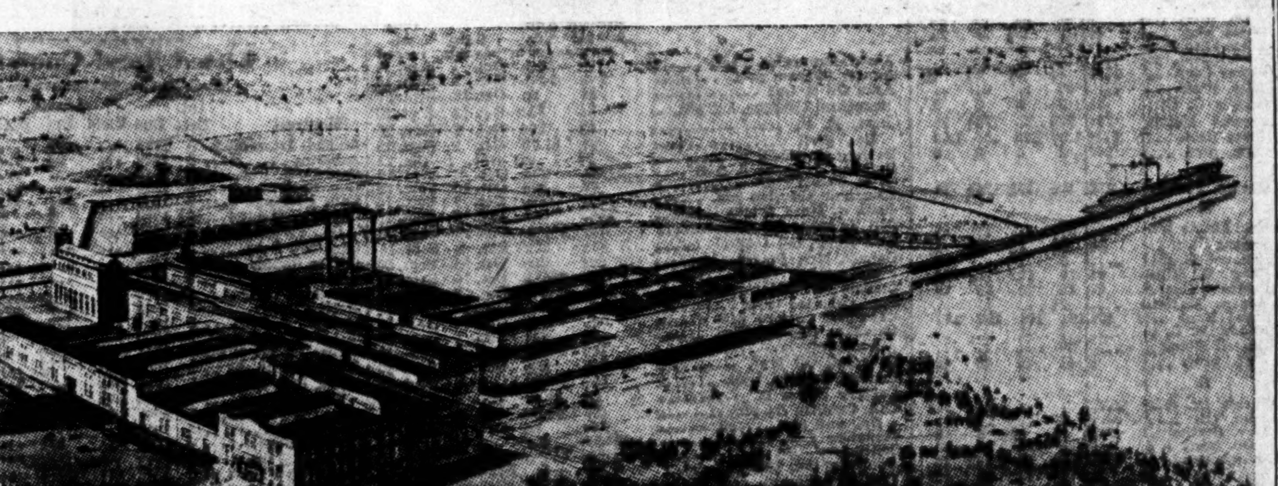
Most of the fibres made by Brown Corporation are sold to the parent company, Brown Co., Portland, Maine, and are converted into a variety of products such as yarns, innersoles, and upperstock for shoes, the famous Nibroc Towels, and special papers possessing tremendous strength and durability combined with excellent printing surface and brightness of color. These products owe their outstanding characteristics to Solka.

CAPITAL
Common - - - $14,000,000

Principal Offices:
71 St. Peter Street, Quebec, P.Q.
Mills at La Tuque, P.Q.

Sales Office:
1115 University Tower Bldg., Montreal, P.Q.

THE MERSEY MILL



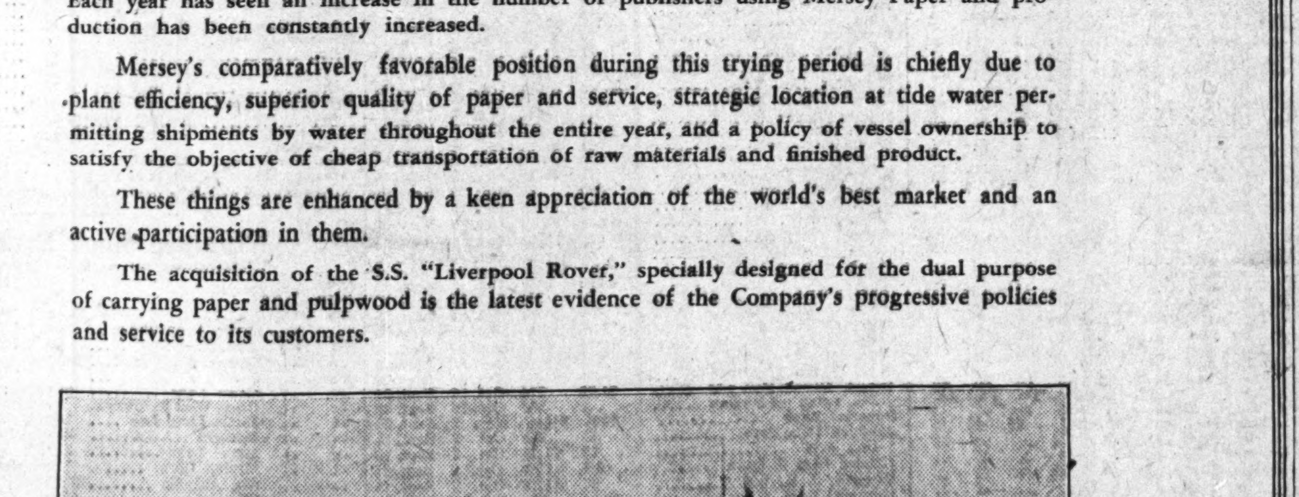
Annual capacity 90,000 tons

The Mersey Mill is in its fifth year of manufacturing highest quality Newsprint Paper. Each year has seen an increase in the number of publishers using Mersey Paper and production has been constantly increased.

Mersey's comparatively favorable position during this trying period is chiefly due to plant efficiency, superior quality of paper and service, strategic location at tide water permitting shipments by water throughout the entire year, and a policy of vessel ownership to satisfy the objective of cheap transportation of raw materials and finished product.

These things are enhanced by a keen appreciation of the world's best market and an active participation in them.

The acquisition of the S.S. "Liverpool Rover," specially designed for the dual purpose of carrying paper and pulpwood is the latest evidence of the Company's progressive policies and service to its customers.



T.S.S. "Markland" Oil Burning Steamship specially built for carrying Newsprint Paper.

MERSEY PAPER COMPANY LIMITED
Liverpool, Nova Scotia
"Always more and better copies in a ton of Mersey"

DOSCO MEETING OF BONDHOLDERS OFF FOUR WEEKS

Lack of Quorum Causes Postponement Until November 7

WILL VOTE ON PLAN

Sir Newton Moore Outlines Current Position at Annual Meeting of Shareholders

From Our Own Correspondent

MONTREAL.—Owing to the lack of a quorum a meeting of Dominion Steel and Coal debenture holders, called for the purpose of dealing with modifications of the trust deed with regard to interest and sinking fund payments, was adjourned until November 7.

The proposal to defer interest payments for three years and to set up prior lien certificates as collateral for bank loans is said to have been considered by large holders in Canada and by a representative committee in London, under the chairmanship of Hon. Arthur Crichton, managing director of a large group of investment trust companies, and including Sir Walter Layton, editor of The Economist, and have been approved by them.

The postponement of the meeting was necessitated by lack of a quorum, which is accounted for by the fact that of the $13,499,994 principal amount of debentures issued and outstanding $6,612,446 are held by the banks as collateral security, and the banks as interested parties refrained from voting the debentures held by them.

Of the $6,887,547 debentures held by the public, approximately $4,800,000 were represented by proxies in favor of the proposals, no opposition being evidenced.

In view of the amount of debentures held by the banks it is not likely that a quorum will be present at the postponed meeting and after a further postponement the proposals will be passed by a majority of the votes of those actually present or represented in accordance with the provisions of the trust deed.

Outlook More Hopeful

Though business in the current year has not been without its discouragements and difficulties, there have been signs of improvement which give ground for hope that better times lie ahead, Sir Newton Moore, president of Dominion Steel and Coal Corp., told the shareholders at the company's annual meeting.

Sir Newton pointed to slowly increasing consumption of steel for industrial and construction purposes in the Dominion, with a fair share of this increased tonnage being secured by the corporation.

In the course of his remarks to the shareholders, Sir Newton said, in part:

"By active canvass and persistent effort, a considerable amount of export trade has been developed and orders have been secured for rails and other forms of finished steel from South Africa and other parts of the Empire. While these will not yield a profit they furnish a desirable addition to the tonnage passing through the works and enable the corporation to convert a certain amount of inactive material into cash and provide employment for men who would otherwise be idle and without adequate means of support.

"Further assistance toward the avoidance of unemployment has been given by the Government which authorized the manufacture of 50,000 tons of rails for the Canadian National Railways.

Half Time at Sydney

"The works at Sydney are now employed to about 50 per cent of capacity and this condition will continue until the end of the year.

"Conditions with respect to disposal of iron ore are still unsatisfactory. The restricted operation of the blast furnaces at Sydney did not require any additions to the stock there. Shipments to Germany though subject to the influences which so greatly reduced output last year are expected to be somewhat larger. Through an arrangement with the Government of Newfoundland about 25,000 tons will be shipped to England, but a continuance of this business will only be possible under conditions widely different from those now prevailing which permit the importation of ore from African mines at prices much below our cost of mining and transportation and without any preference for ore produced in British territories.

Coal Operations Improved

"The position of the coal mining companies has been somewhat improved. The moderate revival in industrial activity which has been referred to made for some increase in consumption. A very determined effort to extend the territory of distribution, which was assisted by an enlargement of the regulations with regard to subventions in respect of freight rates was productive of considerable new business. The output for the year is likely to exceed that of last year by 250,000 to 300,000 tons. The average price realized, due to competitive conditions and the low rate of sterling exchange in the earlier months of the year when most of the important contracts were closed, will, however, be less than last year's price."

URGE ON OTTAWA FURTHER ENQUIRY INTO PRICE OF GAS

Effect of N. R. A. Programme Little Understood By Public

The National Recovery price-raising programme in the United States is reflecting itself promptly in the oil and gasoline business in Canada. F. A. McGregor, registrar at Ottawa under the Combines Investigation Act has received a petition from Mayor Croll, and a number of aldermen of Windsor, Ontario, charging a gasoline monopoly and asking for an investigation under this legislation.

It will be recalled that early in 1932 the Federal Government was on the point of beginning a gasoline price investigation at the behest of western interests led by a member of parliament, but instead of holding an enquiry under the Combines Investigation Act an investigation was held before a committee of the House of Commons. Those asking for a new enquiry hold that the results of this investigation exonerating the big oil companies from unfair price tactics were a whitewash, and that the Government was influenced by the oil interests in transferring the enquiry from the Department of Labor to the House of Commons in order that this alleged whitewash might be the more easily accomplished. The outcry now for an investigation of a thorough and impartial nature under the Department of Labor is almost certain to gain strength under the conditions above-mentioned.

May Refuse Enquiry

It is rumored at Ottawa that the Government will refuse to make another enquiry or will endeavor to delay making a decision in the hope that the agitation will die down.

The announcement that on November 4 an increase will take place in the freight rates on crude oil from the United States to Canadian points hits the small independent Western refinery especially hard, and a prominent Western oil man, Col. C. B. Keenleyside, of Regina, in a recent interview given to the press, characterized the proposed new rates as unfairly discriminatory against the small refinery, in that they are to apply only to the refineries which re-ship by rail in the form of finished products, at least 65 per cent of their incoming tonnage of crude. The discrimination in favor of the big refineries, as against the small ones which market their refined product locally, is, he claims, nearly 50 per cent, and will make it impossible for the small refinery to compete.

Predict Use of Bay Route

This situation has caused the prediction by independent oil interests that if a favorable freight rate could be had over the Hudson Bay Railway, crude oil from Russia imported via Fort Churchill would replace Oklahoma crude. The Oklahoma oil producers share this opinion and have protested the proposed increase in freight rates on their crude.

One important effect that rising prices is having is greatly to increase drilling activity all over the West. Not only in the Turner Valley and in the Fabyan-Wainwright fields is drilling activity increasing but also in Saskatchewan, near Maple Creek, and at Avonlea and Hudson Bay Junction. Predictions are being made in Calgary that the retail price of gasoline will rise to 40 cents a gallon by midwinter and that the price paid by refineries for naphtha will exceed $4 per barrel, as compared with the all-time present record of $3.95.

BATHURST POWER

Earning Power Restricted But Liquid Position Strong

Bathurst Power and Paper continues to operate at a loss, but the deficit in the first eight months of this year was less than that experienced for the corresponding period of 1932.

The demand for newsprint paper is negligible, operations being confined to meeting the needs of a few Maritime papers. The low price of newsprint, combined with the company's high wood costs, does not place the company in a particularly satisfactory position to take on or secure additional newsprint business.

Liner Board Profitable

Some time ago the company converted one of its newsprint machines to the manufacture of kraft liner board. During 1932 Bathurst manufactured 12,027 tons of kraft liner board, on which the net amount realized by the company was 81 cents a ton less than the cost of manufacturing.

For the first eight months of 1933 kraft liner board output totalled a slight profit compared with an operating loss last year.

Cut Loss on Pulp

The company is also engaged in the manufacture of sulphite on which there has been a noticeable improvement in the past few months. While output in the first eight months of the year was somewhat less than in 1932, the loss on operations was reduced by more than half.

Although Bathurst's earning power is unsatisfactory, the company maintains a strong liquid cash position. At the end of last year, it had cash and marketable securities amounting to $867,038 and at present has over $1,000,000. The company has no funded indebtedness or bank loans.

Capitalization—	Authorized	Outstanding
Cl. "A" Com.	750,000 shs.	400,000 shs.
Cl. "B" Com. n. p. v.	500,000 shs.	300,000 shs.

Funded Debt—

None.

Dividend Record—

Class "A" Common—Initial dividend of 25c. per share paid March, 1929; none since.

Class "B"—None paid.

Officers and Directors—

Officers—Brig.-Gen. J. B. White, D.S.O., pres.; George M. McKee, vice-pres.; H. J. Webb, treas.; George A. Schryer, asst. treas.; S. B. Bond, sec.; Smith Morse, compt. and act. mgr.

Directors — Brig.-Gen. J. B. White, D.S.O., P. A. Thomson, H. J. Webb, J. B. Woodyatt, Ernest Rossiter, George M. McKee, F. J. Campbell, all of Montreal, Que.

Earnings per Share and Dividend Record:	1932	1931	1930
Cl. "A": Earned ...	nil	nil	*$0.18
Paid	nil	nil	nil
Cl. "B": None earned or paid.			

* Before depreciation.

Five Years Earnings: Year	Earnings $	Dividends $	Surplus $
1928	411,782	......	121,747
1929	281,550	100,000	103,297
1930	132,954	......	181,001
1931	*86,461	......	*40,861
1932	*158,225	......	*202,474

* Loss or deficit.

Market Record—	1933 H	1933 L	1932 H	1932 L	1931 H	1931 L
Cl. "A" .	8	1	3	1	5¼	3
Cl. "B" .	2	1	1½	½	5	1

* To September 19.

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Hudson Underwear, Ltd., has been incorporated and will shortly commence operations in Woodstock, Ont., manufacturing rayon and real silk underwear. E. J. Hudson, formerly secretary-treasurer of Harvey Knitting Co., is president and will be active head of the new concern.

Justrite Co., Ltd., recently-formed Canadian subsidiary of the Justrite Co. of Milwaukee, Wis., manufacturers of pet foods and medicines, has leased manufacturing space in Toronto and will manufacture there for the Canadian and British Empire market. A. A. Henry, who has been representing the company in Canada will be in charge of manufacturing.

Ideal Containers, Ltd., has been established under Ontario charter and has leased space in Toronto for the manufacture of cardboard containers. Canadian rights for the manufacture of these containers, which are specially designed for packaging spices, drugs, etc., have been obtained from a United States concern. R. I. Drewery, Toronto, is president; H. A. Hamilton, secretary-treasurer; A. E. Drewery and T. H. Simpson, directors.

Sidney Roofing

Sidney Roofing and Paper Co., with operations cen[illegible]d in Victoria and Vancouver, [illegible] one of the smaller specialty enterprises in the pulp and paper industry.

There is comparatively little public investment interest in this organization, the capital having been supplied privately. No financial statement is issued so that it is not possible to determine whether or not the company is on a profitable operating basis.

Capitalization—	Issued
Preferred 7%, par $100 ..	$350,000
Common, par $10	10,000 shs.

PULP & PAPER MILL CASTINGS
AS MANUFACTURED BY
Sorel Steel

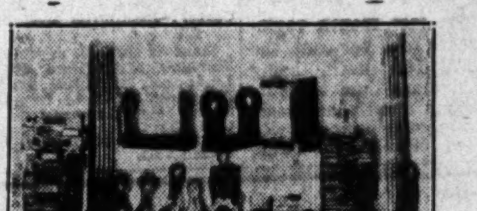
cover nearly every phase of this industry. Sorel Manganese Steel Castings in particular are noted for their more than ordinary wearing properties.

We manufacture carbon and alloy steel castings for log haulage, tractors and sleighs.

Manganese liners, paddles and hammers for pulverizers. Manganese orange peel blades and chains.

Castings in any alloy steel for general repairs.

Upper photo shows rolled manganese steel liners. Lower photo shows various types of pulveriser part castings.



Sorel Steel
FOUNDRIES LIMITED
SOREL QUEBEC

Sorel, P. Q. 170 Bay St., TORONTO
Dominion Square Bldg., MONTREAL

STOP
WASHROOM WASTE
in paper towels

When employees dry their hands they are apt to be inconsiderate of the Company. If the first towel doesn't do the job, unhesitatingly they help themselves to a second . . . a third . . . a fourth.

Reduce this needless waste! Install Windsor DUOTOWLS! Because they are super-absorbent, *one* Duotowl dries thoroughly . . . quickly . . . saves your money. Because Duotowls are soft and kind to the skin, employees welcome them . . . prefer them in place of old-fashioned unsanitary towels.

Send today for free samples of this new, more efficient towel that cuts washroom costs. Canada Paper Company, 407 McGill Street, Montreal, P.Q.

For office or factory use, attractive cabinets are available for use with Duotowls. These cabinets are steel . . . finished in baked white enamel . . . equipped with lock . . . offer improved dispensing arrangement. With or without plate glass mirror. Ask for details.

Install WINDSOR DUOTOWLS

A. J. Pattison, Jr. & Co. LIMITED
(Established in 1907)
Unlisted Bonds and Stocks
3rd Floor, Royal Bank • Toronto, Can.

CANADA NORTHERN PROFITS ADVANCE FOR CURRENT YEAR

Power Sales, Customers and Income Larger in Past Eight Months

From Our Own Correspondent

MONTREAL.—Both gross and net operating income of Canada Northern Power Corp. registered an increase in August last compared with the same month in 1932. Gross earnings at $303,794 were $24,838 higher than a year ago. Operating expenses advanced $2,452, so that net operating income for August, 1933 was $211,137 as against $188,751 for the same month in 1932.

For the eight months ended August, 1933, cumulative returns for Canada Northern Power show a gross revenue of $2,390,965, up $117,524 from the same period last year. Expenses increased $13,224 to $724,831, leaving net operating income at $1,666,134 compared with $1,561,834 for the eight months ended August, 1932.

Power Output Higher

Power output last month registered an increase of 8 per cent, the total of 39,732,590 kw.h. being 2,954,370 kw.h. more than the output for the same month last year. For the eight months period power output totalled 309,558,470 kw.h., compared with a corresponding figure of 288,817,600 kw.h., an increase for the period of 20,740,870 kw.h.

Last month 85 new customers were added to the company's system, bringing the total number served as at August 31 last to 12,955. This compares with 12,018 at the end of August a year ago.

Eureka-Hixon Creek Mines Absorbs Topley-Richfield

The property of Topley-Richfield Mining Co., comprising the Richfield group of 37 claims, and the Three Star group of copper claims on Boo Mountain in Omineca mining division, has been sold to the Eureka-Hixon Gold Mines, Ltd., in consideration of 1,000,000 shares in that company. A winding-up order has been applied for Topley-Richfield and old shareholders will receive stock in the Eureka-Hixon Gold Mines.

Topley-Richfield was incorporated in 1927 with principal interest centred on its Three Star copper prospect. It was financially sponsored by Miller, Court & Co., of Vancouver.

Metal Prices

New York—September 26—
Copper: Electrolytic spot, 9c. lb.
Silver: 39⅞c.

London—September—26—
(Long Ton)—
Copper: Electrolytic spot, £37 5s; future, £38.
Standard spot, £34 5s; future, £34 10s.
Tin: Spot, £216; future, £215 17s 6d.
Lead: Spot, £12; future, £12 2s 6d.
Zinc: Spot, £16 12s 6d; future, £16 17s 6d.
Silver: 18½d. per ounce.
Gold: 133s 2d.

Canada—September 26—
Gold: $32.39.

Notice of Closing Date

The subscription lists to the new issue of 50,000 Shares no par value Common Stock fully paid and non-assessable in

WALKERVILLE BREWERY LIMITED
Walkerville Ontario

Will Close Thursday, October 5th, 1933

The Trusts and Guarantee Co. Ltd., Toronto Transfer Agent
National Trust Company Ltd., Toronto Registrar

Capitalization

Funded Debt—NONE Preferred Stock—NONE

No par value Common Stock — Authorized 400,000 Shares — To be presently outstanding 375,000

Directors

The Board of Directors will be as follows:

ARTHUR D. MILES
Gentleman, Chairman of the Board—Formerly President of International Nickel Company of Canada Limited.
HERMAN RADNER, President.
PRESTON D. NORTON
Managing Director of Norton Palmer Hotel, Ltd., of Windsor, Ont.
CHARLES W. ISAACS
President of Walker Insurance Agencies Ltd., Walkerville, Ont., formerly Assistant Treasurer of Hiram Walker & Sons, Ltd., Walkerville, Ont.
CHARLES P. McTAGUE, K.C.
Of McTague, Clark, Springsteen and Spencer, Barristers and Solicitors, Windsor, Ont.
JOHN J. McHALE
President of Scott & McHale Ltd., London, Ont.
E. THISTLE, Secretary and Treasurer.

Public acceptance of this issue has been so general that we find it necessary to close our stock offering Thursday, October 5th, 1933.

Subscriptions by mail postmarked not later than midnight, October 5th, will be allotted at the ORIGINAL price of $3.25 per Share.

In event of over-subscription, the Company reserves the right to make allotments on a pro rata basis.

PURPOSE OF OFFERING — The company is making this offering with the feeling that customer's ownership is desirable, and also with a view to permit those valued customers who for so many years have been loyal to the popular products of the company to participate in the earnings.

Walkerville Brewery Limited
Walkerville, Ontario

Manufacturers of
ROB ROY ALE, JOHN BULL ALE, SUPERIOR LAGER, PURE MALT STOUT, and X X X PORTER.

Walkerville Brewery Limited
Walkerville, Ontario
Please reserve .... shares of stock in Walkerville Brewery Limited for which enclosed find cheque amounting to $.........
Date ....
Name ....
Address ....
City ....

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING SEPTEMBER 25

Range 1933 High	Low	Divd. Rate in $	Yield in % Sept. 23		Sales	Close Sept. 18 (or last)	Week Ending Sept. 25 High	Low	Close
				A					
4.00	.25		...	Abitibi	5245	1.85	1.95	1.50	1.65
10	1		...	Do. pref. 6%	1020	6	7¼	5¼	7¼
x80	80		...	Acme F. D'y p	....	..	..	..	..
8	4		...	Agnew Surp.	....	7	..	..	..
67	57½	7	10.4	Do. pref.	....	67	..	..	..
10	3¼		...	Alta. Pac. Gr.	10	5¼	5¼	5	5¼
40	20		...	Do. pref.	....	30	..	..	..
x3½	1½		...	Amal. Electric	....	..	..	..	..
10	3		...	Do. pref.	....	9	..	..	..
x3½	3½		...	Anglo. N. Hold.	....	..	..	..	..
1.00	.15		...	Asbestos	....	1.00	..	..	..
1.00	.50		...	Do. pref.	....	1.00	..	..	..
15	3¾		...	Assoc. Brew.	110	13¼	12¼	12	12¼
85	65	7	8.2	Do. pref.	25	77	85	79	85
x3	3		...	Assoc. Can.	....	..	..	..	..
†69	65		...	Assoc. Tele.	....	..	..	..	..
				B					
155	127	10	6.8	Bk. Can. Nat.	23	148	146½	146	146
221	150	8	4.1	Bk. Montreal	391	197	198	195	196
285	228	12	4.3	Bk. N. Scotia	185	277	280	277½	278
215	151	10	5	Bk. Toronto	30	199½	200	199	200
17	10		...	Barcelona	....	17	..	..	..
8	1		...	Bathurst Pr.	135	5¼	5	4¼	4¼
2	1		...	Do. (B)	25	1½	1½	1½	1½
†26	26		...	Bawlf Grain	....	..	..	..	..
20	6		...	Do. pref.	....	9	..	..	..
7	3		...	Beath & Sons	....	5¼	..	..	..
15	3½		...	Beatty Bros. A.	....	9¼	..	..	..
72	53	6	8.3	Do. pref.	....	72	..	..	..
8½	4⅞		...	Beauharnois	2436	4¼	4¼	4¼	4¼
60	50	4	6.7	Belding Cort.	....	60	..	..	..
89	85½	7	8.2	Do. pref.	....	85½	..	..	..
120½	80	6	5.4	Bell Telephone	866	114	113¼	110¼	111¼
9	3½		...	Biltmore Hats	40	7	7	6¼	6¼
76	62	7	9.2	Do. pref.	....	76	..	..	..
4	2		...	Bissell, T. E.	5	4	2	2	2
†97	88		...	Do. pref.	....	..	..	..	..
6	1		...	Blue Ribbon	46	3	3	2	3
22½	10	2	8.9	Do. pref.	230	20¼	22½	22¼	22½
22	18½	2	9.1	Brant. Cd. pf.	25	21	22	22	22
19	7		...	Brazilian Tr.	19161	13¼	14¼	12¼	13
3.85	.55		...	Brew. & Distil.	15630	2.60	2.60	2.30	2.45
12	⅛		...	Brewing Corp.	4280	6¼	6¼	5¼	5¾
19	⅛		...	Do. pref.	1095	14¼	14¼	12¼	13¼
12	10		...	Bright, T. G., c	....	10¼	..	..	..
16	7½	80c	5.3	Brit. Amer. Oil	12665	15	15	14¼	14¾
8	1		...	B. C. Packers	1280	4¼	4¼	3¼	3¼
20	6		...	Do. pref.	100	17	17	17	17
28	14	2	7.8	B. C. Power A	1221	26¼	26	24	25¼
6¾	3		...	Do. (B)	80	5⅞	5¼	5	5
24	3		...	Bruck S. Mills	2667	23	23	19	20¼
21	10½	1	5.9	Building Prod.	250	17	16¼	16¼	16¼
38½	20	2	5.8	Burt, F. N.	140	34	35	34½	34½
				C					
x125	120	6	...	Calgary Pr.	....	..	..	..	..
9½	1½		...	Canada Bread	305	5¼	5¼	4¼	5
75	40		...	Do. pref. A.	1	60	60	60	60
31	8		...	Do. pref. B.	3	25	30	30	30
18	5¼	60c	4.5	Canada Bud	5072	13¼	13¼	11¼	13
10⅜	2¼		...	Canada Cement	5522	7¼	8⅞	6⅞	7⅞
45½	12		...	Do. pref.	479	31	34¼	31	32
b41½	7½	1	3.2	Canada Dry	33400	33	33¼	28¼	31
8	2		...	Can. Forg. (A)	85	4	4	4	4
x7½	2		...	Do. (B)	....	..	..	..	..
x15	15		...	Canada Iron	....	..	..	..	..
†80	75	8	...	Do. pref.	....	..	..	..	..
*425	405	20	4.9	Canada Life	....	405	..	..	..
40	13½	1.50	4.7	Can. Malting	2150	33¼	34	31	32¼
17½	12	80c	5.3	Can. Nor. Pr.	265	15	15⅜	15	15
90	65	7	7.8	Do. pref.	59	90	90	90	90
.25	.05		...	Can. Paving	....	.10	..	..	..
10	4		...	Do. pref.	....	5½	..	..	..
165	120	10	6.7	Can. Perman.	3	150	150	149	150
3½	1		...	Can. Steamsh's	235	2	1½	1	1
9½	2		...	Do. pref.	130	3	3¾	3¼	3¾
26	13½	1.60	7.1	Can. Vinegars	360	22¼	23	22¼	22¼
30	26		...	Can. W. Cable	....	28¼	..	..	..
15	7		...	Do. (B)	40	12	12¼	12	12
2¼	2		...	Can. Bakeries	40	2	2¼	2¼	2¼
10	5		...	Do. pref.	40	5	10	10	10
176	119	8	5.4	Can. Bk. Com.	494	150	150	148¼	149⅞
25	9	60c	3.1	Can. Bronze	27	20	20	19	19
97	70	7	7.2	Do. pref.	....	97	..	..	..
10⅜	2½		...	Can. Canners	140	8	7¼	7	7
80	48	6	7.6	Do. 1st pfd.	5	80	79	79	79
14	8⅜	20c	1.7	Do. 2nd pfd.	440	11½	11¼	11¼	11¼
11⅛	3		...	Can. Car & F'y	1690	7¼	8	5¼	7¼
19½	9½	1.75	10.3	Do. pref.	1257	17	17¼	17	17
28¼	6½		...	Can. Celanese	2960	26¼	27	24	26¼
112	70	7	6.5	Do. pref.	40	109	108	105	107
35	8	2	5.7	Can. Convert.	5	30	35	35	35
49	15		...	Can. Cottons	10	42	42	42	42
75	45	6	8.9	Do. pref.	40	70	71½	67	67
22½	10		...	Can. Dredge	225	18¼	19	18¼	19
85½	85	7	8.2	Do. pref.	....	85½	..	..	..
80	79	6	7.5	Can. Fairb. pf.	....	80	..	..	..
9½	2		...	Can. For. Inv.	....	6¼	..	..	..
80	35	8	10.2	Do. pref.	10	78	78	78	78
140	100	3	2.1	Can. Gen. Elec.	....	140	..	..	..
60	50	3.50	5.9	Do. pref.	145	58½	59½	58	59
6½	4		...	Can. G. Inv. T.	....	6½	..	..	..
65	34	6	11.1	Can. Hyd. E. p	85	57	57	54	54
40	1½		...	Can. Ind. Alc.	24452	21½	21½	17	18½
39	.90		...	Do. (B)	4396	19	18½	16	16½
106	75½	3.50	3.3	Can. Industries	....	106	..	..	..
125	125	7	5.6	Do. pref.	....	125	..	..	..
†5.00	3.95		...	Can. Int. I. Tr.	....	..	..	..	..
†70	64½		...	Do. pref.	....	..	..	..	..
21	21	1	4.8	Can. Lt. & Pr.	....	21	..	..	..
b3¾	1⅛		...	Can. Marconi	11900	3¼	3¾	2¾	3
20	6½	50c	3.6	Canadian Oil	240	15½	15	14	14
97	79	8	8.5	Do. pref.	15	93	95	94	94
21⅛	9		...	Can. Pacific	12173	16¼	16¼	13¼	14¼
3	1		...	Can. Vickers	....	2¼	..	..	..
7½	5		...	Do. pref.	....	7¼	..	..	..
49	46	2	4.1	C. West'ghouse	....	49	..	..	..
9¼	1¼	20c	3.6	Can. Wineries	1141	6	6	5¼	5¼
9½	3		...	Can. Wire Box	....	8¼	..	..	..
10	5¼		...	Catelli Mac. A.	....	10	..	..	..
2	1		...	Do. (B)	....	1¼	..	..	..
245	245	8	3.3	Cent. Can. L'n	....	245	..	..	..
2.35	.50		...	Chem. Research	20420	1.45	1.55	1.38	1.50
1.60	.20		...	Claude Neon	3110	.60	.60	.50	.50
15⅞	3		...	Cockshutt Plow	1235	9¼	10	7¼	8¼
9	½		...	Comm. Alcohol	25	5	4¼	4¼	4¼
5	1		...	Conduits	....	5	..	..	..
†94	84		...	Do. pref.	....	..	..	..	..
16¼	2		...	Cons. Bakeries	3348	12¼	12¼	10¼	11
5	¼		...	Cons. Indust.	30	1¼	2	1¼	1¼
6⅝	1½		...	Cons. Paper	2111	3¼	3¼	3	3
12	3		...	Cons. Press	....	9	..	..	..
x35	30		...	Cons. Sand. p.	....	..	..	..	..
144	54	10%*	...	Cons. Smelters	8670	137½	144	129	136½
190	170	10	5.5	Consumers' Gas	108	180	183	180¼	183
‡35	30		...	Cooksville Co.	....	..	..	..	..
‡85	85		...	Do. pref.	....	..	..	..	..
†20½	15		...	Corpor. Steel	....	..	..	..	..
‡90	90		...	Corr. P. Box p.	....	..	..	..	..
8	1½		...	Cosgrave Brew.	175	6	5	5	5
10	2		...	Cosmos Imp.	60	8	7¼	7¼	7¼
50	39	3.50	7	Do. pref.	....	50	..	..	..
6½	1½		...	Crown Dom. Oil	200	4	3¼	3¼	3¼
20	8	2	...	Grow's N. Coal	....	16	..	..	..
				D					
2	1		...	David & Fre. B	....	1	..	..	..
5	5		...	Do. (A)	....	5	..	..	..
†12½	12½		...	De Havilland	....	..	..	..	..
19	18½		...	Do. pref.	....	19	..	..	..
†9	5		...	Disher Steel	....	..	..	..	..
17	17		...	Do. pref.	....	17	..	..	..
52½	4		...	Distill-Seagram	10006	30	30¼	25¼	26
7	5		...	Dodge (A) pf.	25	7	7	7	7
2	2		...	Do. (B)	25	2	2	2	2
175	124	10	6.3	Dom. Bank	52	160	160	157	158
34	13¼	2	7.1	Dom. Bridge	2337	30	30	27	28
10	3¼		...	Dom. Coal	10	9	8	8	8
26	8		...	Dom. Engineer.	75	23½	20¼	20	20
90	35	5	6.2	Dom. Glass	70	81	83	81	83
115	98	7	6.1	Do. pref.	....	115	..	..	..
5¼	1		...	Dom. Motors	885	2¼	2¼	2	2
2⅞	¾		...	Dom. Pr. Stubs	....	..	..	..	..
6	¾		...	Dom. St. & C B	2865	2¼	2¼	[illegible]	2¼
27½	12⅞	1.20	5.8	Dom. Stores	501	21¼	22	20¼	21
6¼	1		...	Dom. Tar & Ch.	220	3	3¼	3	3
27	5		...	Do. pref.	....	20	..	..	..
69¾	39	4	6.2	Dom. Textile	410	68	67	64½	64½
112	93¼	7	6.2	Do. pref.	101	112	112	112	112
7¾	¾		...	Dryden Paper	955	6¼	6⅞	5¼	5¼
5	1		...	Duff. Paving	....	1¼	..	..	..
30	5		...	Do. pref.	....	30	..	..	..
				E					
3	3		...	East. Koot. Pr.	....	3	..	..	..
†97	94¼		...	Do. pref.	....	..	..	..	..
7	1½		...	East Dairies	120	4¼	4	3¼	3¼
14	5		...	East. Steel	45	5	5	5	5
76	75	7	9.2	Do. pref.	....	76	..	..	..
‡84	34	2	...	East. Theatres	....	..	..	..	..
70	67	7	10	Do. pref.	....	70	..	..	..
4	1		...	Easy Washer	150	1½	1½	1½	1½
15¼	7	37½c	...	Economic Inv.	20	15	15	15	15
†15	15		...	Edmonton D'y	....	..	..	..	..
†80	78½	6.50	...	Do. pref.	....	..	..	..	..
3	¼		...	Enam. & Heat.	....	2¼	..	..	..
19	5		...	Eng. Electric	15	12	12	12	12
10	1¼		...	Do. (B)	....	10	..	..	..
				F					
15	4		...	Fam. Players	....	15	..	..	..
10	8		...	Do. Vot. Tr.	....	10	..	..	..
15	8½	1	8	Fanny Farmer	....	12	..	..	..
28½	28	2.40	8.8	Do. pref.	25	28½	27¼	27¼	27¼
†88¼	75		...	Firstbrook Box	....	..	..	..	..
21	6		...	Ford Motors A	7292	14¼	14¼	12¼	13¼
5	1½		...	For. Pr. Secs.	....	3	..	..	..
10	5		...	Foundation Co.	....	7	..	..	..
90	90		...	Fr.& For.Inv. p	....	90	..	..	..
†8	5		...	Frost Steel	....	..	..	..	..
40	40		...	Do. pref.	....	40	..	..	..
				G					
6.50	.70		...	Gen. St. Wares	370	4.00	4.00	3.25	3.50
18	14		...	Do. pref.	....	14	..	..	..
114¼	40	2.40	2.3	Goodyear Tire	55	104	103¼	100	103
108	80	7	6.6	Do. pref.	165	106½	107	105	105
†93½	93½		...	Gould Pumps, p.	....	..	..	..	..
3	¾		...	Gt. W. Saddlery	....	1¼	..	..	..
15	5		...	Do. pref.	5	12	12	12	12
16¼	4		...	Gurd, Chas.	310	6½	7	6½	6½
100	100	7	7	Do. pref.	....	100	..	..	..
7¼	1¼		...	Gypsum. Lime	885	4⅞	4⅞	4	4
				H					
12	2½		...	Ham. Bridge	260	9	9	7¼	7¼
40	34		...	Do. pref.	....	34	..	..	..
13¼	4		...	Ham. Cot. pf.	....	12	..	..	..
5	1¼		...	Ham. U. Theat.	5	2¼	2	2	2
60	46	7	...	Do. pref.	....	60	..	..	..
‡50	50		...	Hillcrest Coll.	....	..	..	..	..
‡91	91		...	Do. pref.	....	..	..	..	..
8	2		...	Hinde & Dauch	....	5¼	..	..	..
†75	75		...	Holt Renfrew	....	..	..	..	..
‡96¼	90		...	Do. pref.	....	..	..	..	..
3¾	¾		...	Honey Dew	2025	1	1	1	1
17	5		...	Do. pref.	30	7¼	7	5	7
9⅞	1¼		...	H. Smith Pap.	215	7	6¼	6	6¼
40¼	8		...	Do. pref.	60	30	38	37	37
25	14½	2	8.2	Humberstone S	25	25	24¼	24¼	24¼
14	4¼	50c	4.5	Hunt (A)	....	11	..	..	..
10	5	50c	5.6	Do. (B)	25	10	8¾	8¾	8¾
102	77	6	6.9	Huron & E. M.	17	90	87	87	87
18	12¾		...	Do. 20% pd.	27	15	15¼	15¼	15¼
10	6		...	Hydro-Electric	....	10	..	..	..
				I					
185	123	10	6.2	Imperial Bank	74	162	161	160	161
16	7¼	50c	3.4	Imperial Oil	13792	14¼	14¼	13	14
11⅛	7	35c*	3.1	Imperial Tob.	5321	11	11⅜	10¼	11
17	17		...	Int. City Bak.	....	17	..	..	..
†80	80		...	Inter. Coal, p.	....	..	..	..	..
b13¼	2¼		...	Int. Hyd. E. A.	13500	6¼	7	4¼	6
105	98	7	7	Inter. Mill. pf.	....	100¼	..	..	..
90	84	6	6.7	Do. Series A	....	90	..	..	..
23.25	8.00		...	Inter. Nickel	120560	22.05	22.70	20.20	20.50
x4	4		...	Inter. Paints	....	..	..	..	..
b10	¼		...	Int. P. & P. A	2500	6	6	4¼	5¼
b5¾	¼		...	Do. (B)	2400	2¼	3	2¼	2¼
b4	¼		...	Do. (C)	2700	2¼	2¼	1⅞	1⅞
b22½	2		...	Do. pref.	9900	14¼	14¼	10	13
20¼	10⅛	1	5.1	Inter. Pete.	8505	19⅞	20	18¼	19
5	2½		...	Inter. Power	....	3	..	..	..
24	8		...	Do. pref.	25	19	19¼	18¼	18¼
18¼	5⅞		...	Int. Util. (A)	10	8	6	6	6
4¼	1		...	Do. (B)	840	2	2	1½	1½
				J					
†40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
89½	70	7	7.8	Do. pref.	....	89½	..	..	..
				K					
7½	3		...	Kelvinator	....	4¼	..	..	..
75	55	7	9.3	Do. pref.	....	75	..	..	..
				L					
18⅛	5		...	Lake of Woods	590	13	11⅛	10¼	11⅛
70	30		...	Do. pref.	10	65	54	54	54
85	80	6	7	Landed Bank	....	85	..	..	..
25	25		...	Langley's pfd.	....	25	..	..	..
48½	36	3	6.3	Laura Secord	112	47½	48	47	48
7	1½		...	Lindsay, C. W.	....	7	..	..	..
35	25		...	Do. pref.	4	35	35	35	35
21½	10¼	80c	5.3	Loblaw (A)	3318	15¼	16	13	14¼
21	10¼	80c	5.4	Do. (B)	465	15½	15½	14½	14⅞
				M					
4	2		...	MacKin. Steel	....	3¼	..	..	..
†95	90		...	Do. pref.	....	..	..	..	..
3¼	3¼		...	Manitoba Pr.	....	3¼	..	..	..
10¾	3		...	Maple Leaf	35	5	5	4½	4½
25	5		...	Do. pref.	....	16	..	..	..
6	6		...	Marcus Loew's	....	6	..	..	..
60	35		...	Do. pref.	....	60	..	..	..
12	2¼		...	Massey-Harris	2774	5⅜	5⅜	5	5⅛
15	7	60c	4.9	McColl Fron.	4345	13	13¼	12	12
82	54½	6	8	Do. pref.	106	75	75	74	75
27	9½		...	Melchers (A)	2215	15¼	15	12¼	13¼
14	7½		...	Do. (B)	775	10½	10	8½	9
†45	35		...	Mexican L & P	....	..	..	..	..
‡35	35		...	Mercury Mills	....	..	..	..	..
‡89	58½		...	Do. pref.	....	..	..	..	..
†40½	40		...	Mitchell, J. S.	....	..	..	..	..
x105	105	7	...	Do. pref.	....	..	..	..	..
17½	2		...	Mitchell, Robt.	170	10¾	10	9⅞	9⅞
†1	1		...	Monarch Knit.	....	..	..	..	..
50	20		...	Do. pref.	....	49	..	..	..
28	18		...	Montreal Cot.	....	28	..	..	..
75	50	7	9.3	Do. pref.	....	75	..	..	..
½	½		...	Montreal Exhib	....	¼	..	..	..
x11	5		...	Mont. Is. Pr.	....	..	..	..	..
42½	26½	1.50	4.1	Mont. L. & P.	6880	37	38	34½	36
42	39	3+.25	8.1	Montreal Loan	....	40	..	..	..
46½	39	3.20	7	Montreal Tele.	....	46	..	..	..
101	70	8	8	Montreal Tram.	145	100	100	100	100
17¾	4		...	Moore Corp.	230	14	13½	13	13⅛
107	65	7	6.8	Do. pref. A.	85	104	104	99	99
125	70	7	6.4	Do. pref. B.	25	115	110	108	110
‡10	10		...	Mt. Royal Hot.	....	..	..	..	..
‡49	49		...	Do. pref.	....	..	..	..	..
4	½		...	Muirheads	230	2	1	1	1
7	5		...	Do. pref.	....	6½	..	..	..
				N					
29½	14¼	1.60	5.9	Nat. Breweries	3574	27¾	28	25¾	26¼
32	27	1.75	5.6	Do. pref.	240	31	32	30	31½
100	85	7	7.8	N. Groc. 2nd p	25	90	90	90	90
22	14	2.40	16	N. Sew. Pipe A	50	16	15	15	15
18½	5½		...	Nat. Steel Car	230	14½	14½	13½	13½
212	165	8	4	National Tr.	9	200	200	200	200
x10	10		...	Niag. W. Weav	....	..	..	..	..
16½	16	75c§	...	Do. pref.	....	16	..	..	..
5	¾		...	North Star Oil	....	2⅛	..	..	..
4.50	1.75	35c	14	Do. pref.	390	2.70	2.50	2.50	2.50
‡25	25		...	N.S. Steel, pf.	....	..	..	..	..
				O					
211	100	8	4.3	Ogilvie Flour	86	195	195	187	190
125	108	7	5.6	Do. pref.	....	125	..	..	..
12	4		...	Ont. Eq. 10% p	40	11	10	10	10
105	98	6	6	Ontario Loan	8	98	100	100	100
9	4		...	Ont. Silknit	70	7	6	6	6
6⅞	4⅞		...	Ont. Steel	10	6	6⅛	6⅛	6⅛
†105	105		...	Do. pref.	....	..	..	..	..
2¼	¾		...	Orange Crush	50	1½	¾	¾	¾
14	5		...	Do. (A)	....	11	..	..	..
3½	¾		...	Do. (B)	....	1½	..	..	..
92	80	6	6.8	Ott. L. H. & P.	....	88	..	..	..
92	84	6.50	7.1	Do. pref.	10	91	92	92	92
8	5		...	Ott. Traction	....	5	..	..	..
				P					
70¾	40	3	4.6	Page Hersey	870	67	66½	64¾	64¾
18	18		...	Paton Mfg.	....	18	..	..	..
92½	90	7	7.6	Do. pref.	....	92½	..	..	..
47	20	3	7.1	Penmans	5	45	42	42	42
82	65	6	7.3	Do. pref.	5	80	82	82	82
16½	8		...	Photo Eng.	50	15	15½	15	15
†70	64	7	...	Porto Rico P. p	....	..	..	..	..
b40¾	4		...	Postal Tele. p.	....	..	..	..	..
15¾	6		...	Power Corp.	1345	8½	8½	7½	7½
62	26	6	10	Do. pref.	....	60	..	..	..
3¼	¾		...	Prairie C. Oil	15	2¼	2	2	2
26	8		...	Pressed Metals	704	22½	22	18¾	19
4.62	.95		...	Price Bros.	2736	1.25	1.25	.95	1.00
13	3		...	Do. pref.	200	4	4	3	3
				Q					
24	11	1	6.2	Quebec Power	222	17½	16¾	15½	16
				R					
95	85	5	5.9	Real Estate L'n	....	85	..	..	..
6	5		...	Regent Knit.	25	3½	3½	3½	3½
7	5		...	Reliance Grain	....	5	..	..	..
19	7	1	5.3	River. S. Mills	45	19	19	18½	19
14	5	1	10	Robinson Cone.	77	10	10	10	10
4	¾		...	Rogers Majest.	....	2¾	..	..	..
183	123	8	5	Royal Bank	852	161	161	156	157
†84	75		...	Ruddy, E. L. p	....	..	..	..	..
20	20		...	Russell Motor	....	20	..	..	..
45	28	4	10	Do. pref.	5	41	40	40	40
				S					
x4	3		...	Sarnia Br. A.	....	..	..	..	..
2	1½		...	Do. (B)	....	2	..	..	..
11½	2½		...	Serv. Station	240	8¼	8¼	8	8
48	16		...	Do. pref.	5	40	38	38	38
22½	9½	50c	2.8	Shawinigan	7140	17½	18	16⅛	18
17½	4		...	Sher.-Wms.	70	12½	12	12	12
75	39		...	Do. pref.	....	70	..	..	..
9	4		...	Simon & Son	60	5½	5½	5½	5½
61	50		...	Do. pref.	....	55	..	..	..
52	6		...	Simpson, Ltd.	144	31	35½	30½	33
5	5		...	Do. (A)	....	5	..	..	..
6½	1		...	Do. (B)	4	6¾	4	4	4
85	46½	6	7.9	Simpson, R., p.	....	76	..	..	..
19½	12	80c	5.5	So. Can. Pr.	238	17½	17	14½	14½
91	68	6	6.9	Do. pref.	13	90	90	86½	90
5.87	.15		...	St. Law. Corp.	1110	3.62	3.62	3.00	3.25
12½	1		...	Do. (A)	840	8	8	7	7
56	15	1.50	2.7	St. Law. Flour	....	56	..	..	..
100	92	7	7	Do. pref.	50	97	100	99	100
25	2½		...	St. Law. Pap. p	343	18½	18	16	16
13	4		...	Stand. Chem.	25	11	7	7	7
6	¾		...	St. Pav. & Mat.	115	3½	3	2½	2½
25	16		...	Do. pref.	....	21	..	..	..
19¼	1		...	Stand. Steel	2080	13½	13½	11	12
47	47		...	Do. pref.	....	47	..	..	..
33	14½	1.20	4.4	Steel of Can.	1001	30½	30	27	28
34	24½	1.75	5.6	Do. pref.	40	32	32	31	31
6	1		...	Sterling Coal	....	6	..	..	..
10½	6		...	Stop & Shop	20	7	6	6	6
*495	385		...	Sun Life Ass.	....	493	..	..	..
22½	11	1	5.6	Sup. Pete. ord.	270	19	19½	17½	18
19	11½	1	5.4	Do. com.	....	18	..	..	..
99	90	7	7.1	Do. pref.	....	99	..	..	..
				T					
40	40		...	Tamblyn	....	40	..	..	..
95	79	7	8.7	Do. pref.	....	80	..	..	..
20	10	*87½c	...	Thayers, pfd.	5	15	20	20	20
14	7¾	40c	3.5	Thrift Stores	330	12½	12½	11⅜	11½
30	21	1.62½	6.2	Do. pref.	25	27	26	25½	26
12	1		...	Tip Top Tailors	....	8	..	..	..
70	35	7	10.8	Do. pref.	10	70	69	65	65
†22	10		...	Tooke Bros.	....	..	..	..	..
16¼	12¾		...	Do. pref.	....	16½	..	..	..
27	12½	1	...	Tor. Elevators	10	23	20	20	20
167	138	6	4.1	Tor. Gen. Tr.	5	148	147	147	147
100	90	6	6.3	Toronto Mtge.	....	95	..	..	..
2¼	¾		...	Traymore	2520	1	2¼	1⅛	2
2¼	¾		...	Do. pref.	....	1½	..	..	..
116	107	7	6	Tuckett Tob. p.	....	116	..	..	..
4	1		...	Twin City	....	3½	..	..	..
b15	5¼		...	Do. pref.	....	..	..	..	..
				U					
7½	2½		...	Union Gas	470	5	4½	4	4
40	30		...	Union Trust	12	30	30	30	30
†8	8		...	United Fuel	....	..	..	..	..
17½	4½		...	Do. pref.	55	6	6	5	5
8	7		...	Un. Amuse. A	....	8	..	..	..
7½	7½		...	Do. (B)	....	7½	..	..	..
30	19½	2	7.7	United Secs.	....	26	..	..	..
				V					
7	2		...	Viau Biscuit	15	4	4	4	4
40	35		...	Do. pref.	....	40	..	..	..
				W					
18½	4		...	Wabasso Cot.	10	15½	14	14	14
68	4		...	Walker-Good.	38285	51½	51½	41	44½
18½	9½	1	6.6	Do. pref.	6084	15¾	15¾	15	15
8	1½		...	Waterloo Mfg.	305	3½	3¾	3½	3½
x80	75	7	...	W. Koot. Pr. p	....	..	..	..	..
18	4		...	West. C. Flour	173	12	10½	10	10
70	45	3	6	Do. pref.	20	55	50	47½	47½
23	8		...	West. Grocers	15	23	23	23	23
85	54	7	8.3	Do. pref.	....	84	..	..	..
†91	85		...	W. Steel Pr. p	....	..	..	..	..
59½	16½	1	1.8	Weston Ltd.	2648	57½	56¾	50	55
88	67	7	7.9	Do. pref.	10	87	88	88	88
5	3½		...	Whittall Can	30	3½	3½	3½	3½
50	30	6.50	...	Do. pref.	....	40	..	..	..
5	3		...	Windsor Hotel	....	3	..	..	..
12	5		...	Do. pref.	....	8	..	..	..
5½	1		...	Winnipeg Elec.	475	2½	2½	2	2¼
10½	3½		...	Do. pref.	5	6	5	5	5
18	7		...	Woods Mfg. p.	....	18	..	..	..
				Z					
x1	1		...	Zimmerknit, c.	....	..	..	..	..

x Quotations for 1932. No sales recorded in 1933 to date.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
* Stock dividend.
• Plus final dividend of 17½c. paid Mar. 31.
ª Covers payment due Jan. 3 last and deferred; paid Mar. 15.
° See "Unlisted Stocks" also.
§ On arrears.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
September 26, 1933

Industrial Bonds:	Bid September 26	Asked	Bid Sept. 19
Abitibi P. & P. 5% 1953	24.50	25.75	24.50
Acadia Sugar 6% 1946	90.00	92.50	92.00
Albert Bay 6½% 1942	48.00	....	49.00
Alta. Pac. Grain 6% 1946	65.00	70.00	72.00
American Sales Book 6% 1939	97.50	....	98.00
B. A. Oil 5% 1945	98.50	100.50	98.50
Can. Biscuit 6½% 1946	21.00	23.50	22.00
Can. Bread 6% 1941	95.00	97.00	95.00
Can. Cement 5½% 1947	71.50	73.00	76.00
Can. Steamships 6% 1941	16.50	17.50	18.50
Can. Canners 6% 1950	96.50	99.00	97.25
Can. Copper Refin. 6% 1945	103.00	104.50	104.00
Can. Cottons 5% 1940	90.00	93.00	91.00
Can. Vickers 6% 1947	45.00	47.00	48.00
Cons. Invest. 4½% 1959	56.00	....	56.00
Cosmos Imp. Mills 6½% 1944	85.00	....	84.00
Davies, Wm. 6% 1942	98.25	99.50	98.25
Debenture & Sec. 4% 1936	66.00	....	64.00
Dom. Tar & Chemical 6% 1949	66.00	70.00	69.00
Dom. Telegraph 5½% 1978 A	94.75	97.00	94.75
Dom. Textile 6% 1949	104.25	....	104.25
Dom. Woollens 6% 1948	29.00	....	32.00
Donnacona Paper 5½% 1948	28.00	....	29.00
Eaton Realty 5% 1949	90.25	93.00	90.25
Famous Players 6% 1948	73.50	76.00	75.00
Federal Grain 6% 1949	70.00	73.00	70.00
Firestone Tire 7% 1937	105.00	108.00	105.00
Fraser Cos. 6% 1932	30.00	32.50	30.25
Fraser Cos. 6% 1950	30.00	....	30.00
Galt Brass 7½% 1941	15.25	20.00	15.25
General Steel Wares 6% 1952	65.00	69.00	63.50
Goodyear Cotton 6% 1949	103.00	104.00	103.00
Great Lakes Paper 6% 1950	25.75	27.00	26.50
Gypsum, Lime & Alab. 5½% 1948	47.00	48.50	47.00
Harris Abattoir 6% 1947	100.00	103.00	101.50
Howard Smith 5½% 1953	73.00	....	74.00
Lake St. John 6½% 1947	31.00	32.50	32.25
Loew's Toronto 6% Serial	98.00	....	98.00
Maple Leaf Milling 5½% 1949	52.50	53.50	52.50
Massey-Harris 5% 1947	....	58.00	61.00
McColl-Frontenac 6% 1949	97.50	98.25	96.50
McKinnon Industries 6½% 1945	95.00	....	95.00
Mercury Mills 5½% 1953	54.00	57.50	55.00
Metropolitan Bldg. 7% 1944	82.00	....	82.00
Northern Ontario Bldg., 6½% 1939	65.00	70.00	71.00
Price Bros. 6% 1943	55.50	58.00	55.50
Richmond-Bay 6½% 1947	64.00	....	63.50
Simpsons Ltd. 5½% 1949	71.00	73.00	73.00
Simpsons Ltd. 6% 1949	76.00	78.50	76.00
Steel of Canada 6% 1940	104.00	105.50	104.00
Stop & Shop 6% 1947	66.00	....	66.00
Toronto Carpet 6% 1944	82.00	....	83.00
United Gas & Fuel 5½% 1948	74.50	78.00	74.50
United Grain Growers 5% 1948	75.00	78.00	77.00
United Grain Growers 5½% 1949	78.00	81.00	78.00
Wabasso Cotton 7% 1942	72.00	76.00	72.00
Western Grain 6% 1949	68.00	71.00	68.00
Public Utility Bonds:			
Bell Telephone 5% 1955	103.50	105.00	105.00
Bell Telephone 5% 1957	104.00	105.50	106.00
B. C. Power 5½% 1960	87.50	89.00	90.00
B. C. Telephone 5% 1960	94.50	95.50	95.00
Calgary Power 5% 1960	81.00	82.00	82.00
Can. Northern Pwr. 5% 1953	76.00	77.50	78.00
Duke-Price Pwr. 6% 1966	72.00	74.50	79.00
French Nat'l Mail S.S. 6% 1952	130.00	....	130.00
Gatineau Pwr. 6% 1941 A	68.00	69.00	71.00
Gatineau Pwr. 5% 1956	76.25	77.00	77.00
Maclaren Quebec 5½% 1961	77.00	79.00	81.00
Manitoba Power 5½% 1951	32.50	35.00	32.00
Montreal Isl. Pwr. 5½% 1957	96.50	98.00	96.50
Montreal LH&P 5% 1951	105.50	107.50	105.50
Montreal LH&P 5% 1970	104.50	107.00	104.50
Montreal Tram 5% 1941 July	95.50	97.00	95.50
Montreal Tram 5% 1955	72.00	74.00	75.25
Northwest. Utilities 7% 1938	96.00	98.50	96.00
Ottawa Valley Pwr. 5½% 1970	98.50	100.50	98.50
Quebec Power 5% 1968	90.50	93.50	95.50
Rio Tramways 5% 1935	99.50	102.00	99.50
Shawinigan W. & P. 4½% 1970	71.00	73.00	69.50
Shawinigan W. & P. 5% 1970	80.50	82.50	79.50
Shawinigan W. & P. 6% 1967	91.00	93.00	....
Southern Can. Pwr. 5% 1955	99.50	101.00	99.50
West Kootenay Pwr. 5% 1956	97.00	98.50	97.00
Government, Provincial & Railway:			
C. N. R. 4½% 1951 Dom. Gtd.	101.25	102.00	101.25
C. N. R. 4½% 1957 Dom. Gtd.	101.00	101.75	101.00
C. N. R. 5% 1969 Dom. Gtd.	106.00	107.00	106.00
C. P. R. 4½% 1944	73.00	76.00	81.25
C. P. R. 6% 1942	110.25	112.00	112.00
Dom. of Can. 5% 1936	102.75	103.50	102.73
Dom. of Can. 5% 1941	104.25	105.25	104.25
G. T. P. 3% 1962 Dom. Gtd.	81.25	82.25	81.25
G. T. P. 4% 1962 Dom. Gtd.	95.25	96.50	95.25
Ont. Hydro 3½% 1952 Ont. Gtd.	92.00	93.00	92.00
Ont. Hydro 4¾% 1970 Ont. Gtd.	100.00	102.00	100.00
Ont. Hydro 4% 1957 Ont. Gtd.	93.00	94.50	93.00
Prov. of N. B. 5½% 1952	104.00	105.00	104.00
Prov. of Ont. 5½% 1946	107.75	108.25	107.75
Prov. of Ont. 5% 1948	104.25	105.00	104.25
Prov. of Ont. 5½% 1944	102.25	104.00	102.25

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
September 26, 1933

Industrial Stocks	Bid	Asked
Acadia Sugar c.	.85	1.20
Acadia Sugar 6% pfd.	3.80	....
Acme Farmers Dairy 7% pfd.	....	39.50
Agnew Surpass 7% pfd.	68.00	....
Allens Lond. 7% pfd. bonus c.	33.50	....
Allens St. Cath. 7% pfd. bonus c.	33.50	....
Allens Toronto 7% pfd. bonus c.	19.50	....
Andian National U. S. Funds	26.00	27.50
Atlantic Sugar A pfd.	82.50	....
B. C. Pulp & Paper pfd.	7.50	....
Burns pfd. bonus com.	5.00	9.50
Canada & Dominion Sugar	32.00	34.00
Canada Mach. c.	3.50	5.50
Canada Mach. pfd.	20.50	....
Canada Packers c.	35.00	38.00
Canada Packers pfd. ex div.	100.00	103.50
Canada Starch 7% pfd.	64.25	....
Canada Tea 7% pfd.	45.50	57.00
Canada Wire & Cable 6½% pfd. WW	63.00	68.00
Can. Industries com. A	106.00	....
Can. Industries com. B	104.50	108.00
Can. Industries 7% pfd.	124.00	128.00
Can. Westing.	44.00	48.00
Chase, A. W. pfd. bonus com.	10.25	14.00
Claude Neon Gen. Adv. Units	4.00	6.00
Dom. Foundries & Steel 8% pfd.	45.50	52.00
Dom. Foundries & Steel com.	4.75	6.25
Dom. Manufacturers 7% pfd.	....	60.50
Dunlop Tire 7% pfd.	57.00	....
Eastern Dairies Ltd. 7% pfd.	....	24.50
Edmonton Stockyards Units	....	51.00
Federal Grain c.	1.35	3.25
Federal Grain 6½% pfd.	25.00	31.00
A. J. Freiman pf.	48.00	53.50
General Steel Wares pfd	13.00	16.00
Goderich Elevator & Transit	4.25	5.50
Greening Wire 7% pfd.	48.50	53.00
Guelph Carpet 6½% pfd. bonus	66.00	71.00
Guelph Carpet c.	6.00	....
Inter City Baking com.	17.00	19.00
Inter. Proprietaries A	31.50	33.00
Loew's London c.	.25	.75
Loew's Toronto 7% pfd.	60.00	....
Massey-Harris 5% pfd.	12.00	15.00
Medical Arts pfd. bonus com.	95.50	....
Mount Royal Hotel com.	.30	.70
Mount Royal Hotel 6% pfd.	3.10	4.00
Nat. Grocers com.	1.65	2.25
Ont. Silknit pfd.	35.00	45.00
Paramount Kitchener pfd.	31.00	....
Paramount Oshawa com.	2.00	....
Paramount Oshawa pfd.	31.00	....
Provincial Paper 7% pfd.	62.00	66.00
Rolland Paper 6% pfd. WW	48.00	52.00
Reliance Grain 6½% pfd.	45.00	55.00
Serv. Stations A pfd.	30.00	35.00
Standard Clay Products com.	....	14.00
Standard Fuel 6½% pfd. bonus	67.50	....
Supersilk pfd. bonus	31.25	....
Supertest Petroleum B	18.00	22.00
Toronto Elevators 7% pfd.	....	93.00
United Corpns. Ltd. A	5.25	....
United Corpns. Ltd. B	1.50	....
United Grain Growers	10.00	12.50
Ind. Stock cont'd.		
Western Grain 6½% pf. bonus	13.00	18.00
Western Grocers pfd.	84.00	90.00
Wood, Alex. & James pfd.	16.00	21.00
Insurance Stocks:		
Br. Amer. Assce.	23.00	....
Canada Life Ass.	420.00	....
Can. Fire Ins.	56.00	....
Confederation Life 20% pd.	124.00	....
Continental Life 20% pd.	45.00	60.00
Crown Life Ins.	92.00	....
Dom. Fire Ins.	85.00	....
Dominion Life 50% pd.	155.00	....
Dom. of Can. Gen. Ins.	100.00	105.00
Empire Life 25% pd.	9.00	12.00
Excelsior Life 30% pd.	75.00	....
Federal Fire 25% pd.	37.00	....
Fidelity Ins. Co.	49.50	....
Great-West Life Assce.	320.00	350.00
Guarantee Co. of N. A.	260.00	....
Imperial Life	280.00	....
Mfrs. Life Ins.	252.00	260.00
Monarch Life 10% pd.	17.00	22.00
National Life 25% pd.	56.00	65.00
Saskatchewan Life 10% pd.	8.00	12.00
Sovereign Life 25% pd.	21.00	25.00
Sun Life Assur.	390.00	425.00
Western Assur. c.	15.50	18.00
Western Life 20% pd.	7.00	11.00
Trust & Loan Stocks:		
Br. Mtg. & Trust	125.00	145.00
Can. Gen. Investments Ltd.	5.05	5.35
Can. Investors Corp.	5.60	7.00
Chartered Trust	60.00	....
Debenture & Sec. com.	5.50	....
Debenture & Sec. 5% pfd.	18.50	....
Dom. & Anglo Invest. Units	185.00	....
Eastern Can. Sav. & Loan	112.00	116.00
Eastern Trust	135.00	145.00
Guelph & Ont. Inv. par $50	46.00	51.00
Investment Foundation Units	28.00	31.00
Lambton Loan & Savings	51.00	57.00
London & West. Trust	....	50.00
Premier Trust	....	79.00
Provincial Bank	84.00	88.50
Security Loan & Savings	95.50	....
Sherbrooke Trust	100.00	110.00
Sterling Trust	....	43.50
Traders Finance A com.	.55	....
Traders Finance 7% A pfd.	30.50	....
Trusts & Guar.	29.50	33.00
Victoria Trust & Savings	130.50	139.00
Waterloo Trust & Savings	90.00	100.00
Power Issues:		
B. C. Elect. Pwr. & Gas pfd.	99.50	101.75
Calgary Power 6% pfd.	78.00	82.00
Can. Light & Power com.	20.00	24.00
Can. West. Nat. Gas LH&P pfd.	79.00	82.00
Maritime Tel. & Tel. com.	8.50	9.50
Maritime Tel. & Tel. 7% pfd.	10.25	11.75
N. B. Telephone c.	8.15	9.25
N. S. L&P com.	25.00	....
N. S. L&P 6% pf.	72.50	77.00

Recent London Quotations:

Brewers & Distillers	11s.
Can. & For. Secs.	4s. 6d.
Can. West. Lumber	1s. 6d.
Hudson's Bay	27s. 6d.
Do., 5% pref.	92s. 6d.
Internat. Holdings	$2
Nfld. Pr. & Pap. deb. stock B	94
Trust & Loan of Can.	3s. 4d.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Assoc. Breweries, pref.	7%	1¾%	Oct. 1	Sept. 15
Agnew Surpass pref.	7%	1¾%	Oct. 2	Sept. 15
Ajax Oil & Gas	8c	2c	Oct. 16	Sept. 30
Brantford Cordage, 1st pfd.	$2	50c	Oct. 15	Sept. 20
Burt, F. N.	$2	50c	Oct. 2	Sept. 15
Do., pref.	$7	$1.75	Oct. 2	Sept. 15
Belding Corticelli c.	$4	$1	Nov. 1	Oct. 14
Building Products A & B	$1	25c	Oct. 2	Sept. 19
B. C. Power "A"	$2	50c	Oct. 16	Sept. 30
Brazilian Traction pfd.	6%	1½%	Oct. 2	Sept. 15
Bank of Nova Scotia	12%	3%	Oct. 2	Sept. 15
Bell Telephone Co.	6%	1½%	Oct. 16	Sept. 23
Brit. Amer. Oil (14)	80c	20c	Oct. 2	Sept. 16
Canada Nor. Power	80c	20c	Oct. 25	Sept. 30
Do., pref	7%	1¾%	Oct. 16	Sept. 30
Canada Perm. Mortgage	10%	2½%	Oct. 2	Sept. 15
Can. Celanese pref.	$7	$1.75	Sept. 30	Sept. 18
Canadian Cottons pfd.	6%	1½%	Oct. 4	Sept. 16
Canadian General Elec.	$3	75c	Oct. 1	Sept. 15
Do., pref.	7%	1¾%	Oct. 1	Sept. 15
Canadian Oil pref.	8%	2%	Oct. 2	Sept. 20
Central Canada Loan	8%	2%	Oct. 2	Sept. 15
Calgary Power c.	$6	$1.50	Oct. 2	Sept. 15
Can. Canners 1st pfd.	$6	$1.50	Oct. 2	Sept. 15
Do., 2nd pref.	20c	5c	Oct. 2	Sept. 15
Canadian Car, pref.	$1.75	43c	Oct. 10	Sept. 25
Consumers' Gas	10%	2½%	Oct. 2	Sept. 15
Confederation Life 20% pd.	$4	$1	Sept. 30	Sept. 25
Can. Gen. Invest. (No. 21)	30c	7½c	Oct. 16	Sept. 30
Crown Trust	$7	$1.75	Oct. 2	Sept. 30
Canada Bud Brew.	60c	15c	Oct. 16	Sept. 30
Canada Dry	$1	25c	Oct. 16	Oct. 2
Can. Fairbanks pfd.	6%	1½%	Oct. 14	Sept. 30
Can. For. Invest. pfd.	$8	$2	Oct. 2	Sept. 25
Can. Industries pfd.	$7	$1.75	Oct. 16	Sept. 30
Do., "A" & "B"	$3.50	87½c	Oct. 31	Sept. 30
Dome Mines	$1	25c	Oct. 20	Sept. 30
Do., extra	...	25c	Oct. 20	Sept. 30
Dominion Bank	10%	2½%	Oct. 2	Sept. 20
Dominion Bridge	$2	50c	Nov. 15	Oct. 31
Dominion Stores	$1.20	30c	Oct. 2	Sept. 15
Dominion Textiles c.	$4	$1	Oct. 2	Sept. 15
Do., pfd.	7%	1¾%	Oct. 16	Sept. 30
Dominion Glass	$5	$1.25	Oct. 2	Sept. 15
Do., pref.	$7	$1.75	Oct. 2	Sept. 15
Eastern Steel Prod. pfd.	$7	$1.75	Oct. 2	Sept. 15
Economic Inv. Trust	37½c	18¾c	Oct. 2	Sept. 20
Freiman, A. J., pref.	6%	1½%	Oct. 2	Sept. 15
Fanny Farmer	$1	25c	Oct. 2	Sept. 15
Do., pref.	$2.40	60c	Oct. 2	Sept. 15
Gurd, Chas., pref.	$7	$1.75	Oct. 2	Sept. 15
Goodyear Tire	$2.40	60c	Oct. 2	Sept. 15
Do., pref.	$7	$1.75	Oct. 2	Sept. 15
Great-West Life	$20	$5	Oct 2	Sept. 20
Guar. Co. of N.A.	$6	$1.50	Oct. 16	Sept. 30
Do., extra	$10	$2.50	Oct. 16	Sept. 30
General Trust, pfd.	6%	1½%	Oct. 2	Sept. 25
Hollinger Gold	65c	5c	Oct. 7	Sept. 22
Hamilton United Theatres	7%	1¾%	Sept. 30	Aug. 31
Hunt's, "A" & "B"	50c	12½c	Oct. 2	Sept. 15
Howe Sound	$1	25c	Oct. 15	Sept. 30
Huron & Erie Mtg.	$6	$1.50	Oct. 2	Sept. 15
Imperial Tobacco	35c	8¾c	Sept. 30	Aug. 30
Do., pfd.	6%	3%	Sept. 30	Aug. 20
Inter. Nickel, pref.	7%	1¾%	Nov. 1	Oct. 2
Inter. Hydro-Elec. pfd.	$3.50	87½c	Oct. 15	Sept. 25
Invest. Foundation pfd.	$1.50	37c	Oct. 16	Sept. 30
Do., extra on arrears	...	13c	Oct. 16	Sept. 30
Imperial Bank	10%	2½%	Nov. 1	Sept. 30
Jamaica Pub. Serv.	$1	25c	Oct 2	Sept. 15
Do., pref	$7	$1.75	Oct. 2	Sept. 15
Landed Bkg. & Loan	6%	1½%	Oct. 2	Sept. 15
Mitchell, J. S., pfd.	$7	$1.75	Oct. 2	Sept. 15
Montreal L. H. & Pr.	$1.50	37c	Oct. 31	Sept. 30
McColl-Fron. pref	$6	$1.50	Oct. 14	Sept. 30
Mtl. City & Dist. Bk.	$12	$3	Oct. 2	Sept. 15
Moore Corp. pref. "A"	$7	$1.75	Oct. 2	Sept. 15
Do., pref. "B"	$7	$1.75	Oct. 2	Sept. 15
Niagara Wire Weav pfd.	$3	75c	Oct. 2	Sept. 26
National Biscuit c.	$2.80	70c	Oct. 14	Sept. 22
North Star Oil pref.	35c	8¾c	Oct. 2	Sept. 15
National Trust	$8	$2	Oct. 2	Sept. 20
National Breweries	$1.60	40c	Oct. 2	Sept. 15
Do., pref.	$1.75	44c	Oct. 2	Sept. 15
Northern Ont. Power	$2	50c	Oct. 25	Sept. 30
Do., pref.	6%	1½%	Oct. 25	Sept. 30
Ogilvie Flour c.	$8	$2	Oct. 2	Sept. 21
Ottawa L. H. & Pr.	$6	$1.50	Sept. 30	Sept. 15
Do., pref.	$6.50	$1.62½	Oct. 2	Sept. 15
Ontario Loan & Deb.	12%	3%	Oct. 2	Sept. 15
Power Corp. pref.	$6	$1.50	Oct. 16	Sept. 30
Do., 2nd pref.	$3	75c	Oct. 16	Sept. 30
Penmans	$3	75c	Nov. 15	Nov. 6
Do., pref.	$6	$1.50	Nov. 1	Oct. 21
Page Hersey Tubes	$3	75c	Oct. 2	Sept. 20
Do., pref.	$7	$1.75	Oct. 2	Sept. 20
Provincial Paper pfd.	7%	1¾%	Oct. 2	Sept. 15
Pioneer Gold Mines of B.C.	60c	15c	Oct. 2	Sept. 8
Porto Rico Power pfd.	$7	$1.75	Oct. 2	Sept. 15
Premier Gold Min.	12c	3c	Oct. 16	Sept. 15
Riverside Silk "A"	$1	25c	Oct. 1	Sept. 15
Robinson Cons. Cone	$1	25c	Oct. 2	Sept. 15
Steel of Canada	$1.20	30c	Nov. 1	Oct. 7
Do., pref.	$1.75	43¾c	Nov. 1	Oct. 7
Southern Can. Power c.	80c	20c	Nov. 15	Oct. 31
Silverwoods, pref.	4%	1%	Oct. 2	Sept. 22
Standard Fuel pfd.	$6.50	$1.62½	Oct. 2	Sept. 15
Siscoe Gold Mines	12c	3c	Sept. 30	Sept. 15
Southern Can. Power pfd.	6%	1½%	Oct. 16	Sept. 20
Sylvanite Gold Mines (interim)	...	2½c	Sept. 30	Aug. 31
Standard Steel, A pfd.	$3	75c	Oct 1	Sept. 15
Supertest Pete. "A" pfd.	$7	$1.75	Oct. 2	Sept. 15
Do., "B" pfd.	$1.50	37½c	Oct. 2	Sept. 15
Do., ord. and com.	$1	25c	Oct. 2	Sept. 15
Thrift Stores	40	10c	Oct. 1	Sept. 23
Do., pref.	6½%	1⅝%	Oct. 1	Sept. 23
Do., 2nd pref.	70c	17½c	Oct. 1	Sept. 23

Listed Bond Quotations

Week Ending September 25, 1933

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Low
Abitibi, 1st mtge.§	5	1953	...	25	...	...	18	13
Asbestos	5	1942	...	23	...	...	*65½	49
Can. Cons. Rub.	6	1946	...	...	...	...	62	...
Can. Cottons	5	1940	8.11	...	...	...	84⅞	...
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Pr. (Laur.)	5½	1958	...	5	5	...	5	⅞
Do., (Way. Ser.)	5½	1958	...	5	...	...	*28½	5½
Can. S.S. Debs.	5	1943	...	...	...	...	*83¼	...
Cedars Rapids	5	1953	...	...	...	...	108	108
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	2.75	3.00	...	3.00	1.00
Mex. L. & Pr.	5	1940	...	†59	...	...	*73½	70¼
Mtl. L.H.&Pr. debs.	3	1939	...	45¼	45¼	44	47½	39¾
Mont. Tr. 1st mtg.§	5	1941	5.78	95¼	...	...	98¼	95¼
Mont. Trams. A§	5	1955	6.84	72¼	...	...	81¼	58
Do., G & Ref. B	5	1955	7.47	...	...	...	73½	...
Do., C	4½	1955	9.03	...	...	...	57	57
Do., D	5	1955	6.86	...	...	...	77⅞	76¼
N. S. Steel	5	1959	...	...	...	...	*62⅞	58
Ontario Steel	6	1943	7.4	87½	...	...	90	80
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§	6	1940	...	103¼	...	...	*102⅞	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	†79	79	...	79	...
Toronto								
Canada Bread	6	1941	...	...	...	...	*101¼	100
Steel of Canada	6	1940	...	...	...	...	*102⅞	...
Dominion Govt. Bonds (Montreal)								
War Loan§	5	1937	...	106.75	107.00	....	116.25	107.00
Victory Loan	5½	1933	...	100.10	....	....	100.75	100.00
Do.	5½	1934	3.78	101.35	....	....	102.60	101.15
Do.	5½	1937	3.10	108.85	....	....	110.25	109.25
Do., refund	4½	1940	4.21	101.35	....	....	101.25	99.70
Do., refund	5	1943	4.49	103.25	....	....	104.90	101.85
Do., refund	4½	1944	4.25	100.50	....	....	100.50	98.75
Do., refund	4½	1946	4.27	100.50	....	....	*92.25	91.50
Do., renewal	4	1952	4.35	94.50	....	....	95.25	91.63
Conversion Loan	4½	1956	4.45	99.50	....	....	100.50	97.00
Do.	4½	1957	4.56	99.25	....	....	99.00	96.00
Do.	4½	1958	4.51	99.65	....	....	100.50	97.75
Do.	4½	1959	4.50	100.65	....	....	100.87	97.50
Nat. Service Loan	5	1936	4.15	101.50	....	....	103.25	101.50
Do.	5	1941	4.43	103.00	....	....	103.75	100.75
Dom. Loan	4	1935	3.87	99.25	....	....	99.75	99.75
Unlisted:								
Cons. Paper	5½	1961	...	14	....	....	....	....

†Latest ask. ‡Quotations for 1930. *For 1931. *For 1932. None recorded in 1933 to date. §Payable in Canada and New York.

Winnipeg Stock Exchange

(Transactions for week to September 23)

Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close Sept. 23
..	..	Assoc. Breweries c.	10	12½	12½	12½
80c	5.5	Brit. Amer. Oil	60	14⅝	14⅝	14⅝
..	..	Central Manitoba	5450	.14	.12	.12
..	..	Distillers Seagram	5	30½	30½	30½
..	..	God's Lake	850	.76	.60	.76
..	..	Great West Saddlery c.	25	2	2	2
..	..	Little Long Lac	100	.55	.55	.55
..	..	Macassa	300	1.02	1.02	1.02
..	..	Island Lake	200	.20	.20	.20
..	..	Mining Corp.	100	2.00	2.00	2.00
..	..	San Antonio	3220	1.35	1.25	1.35
..	..	Stadacona	6200	.04¾	.04	.04
..	..	Western Breweries	225	1	1	1

Stocks Not Traded in During Week*

	Bid	Ask
Beaver Lumb. pref.	64	67
Beaver Fire	..	100
City Dairy 8% pf.	..	40
Cres. Creamery, pf.	..	30
Great-West Life	300	..
Monarch Life 10% pd.	16	..
Northern Trust	15	..
Pelissiers, pref.	15	..
Reliance Grain pfd.	..	45
Sovereign Life	..	20¼
Traders Bldg.	60	70
Can. Amer. Tr. shs.	..	3¼
Fundamental Ser. A	..	4¼
Fundamental Ser. B	..	4¼
Group. Income Shs.	..	4.55

*Stocks more active on other exchanges not included.

Dividends Declared (Cont'd)

	Present Annual rate	Amt. this payment	Date payable	Date of record
Toronto Mortgage	$6	$1.50	Oct. 2	Sept. 15
Tip Top Tailors pfd.	7%	1¾%	Oct. 2	Sept. 27
Toronto Gen. Trusts	$6	$1.50	Oct. 2	Sept. 22
Tuckett Tobacco, pref.	7%	1¾%	Oct. 14	Sept. 30
United Securities	$2	50c	Oct. 16	Sept. 27
West Kootenay Power, pfd.	7%	1¾%	Oct. 2	Sept. 22
Western Grocers pref.	$7	$1.75	Oct. 15	Sept. 20
Wright-Hargreaves	20c	5c	Oct. 2	Sept. 9
Do., extra	...	5c	Oct. 2	Sept. 9
Weston, Geo., c.	$1	25c	Oct. 2	Sept. 20
Whittall Can., pfd.*	$6.50	$1.62½	Oct. 2	Sept. 15

*Payments from Oct. 1, 1931 to Apr. 1, 1933 inclusive not paid. Paying 1⅝% Oct. 2.

Dividend Rate Reduced:
Huron & Erie Mortgage Oct. 2, $7 to $6 per annum.
Economic Investment Tr. Oct. 2, 75c. to 37½c per annum.
Southern Can. Power c. Nov. 15, $1 to 80c. per annum.

Dividends Passed or Deferred:
Canada Bread, 1st pref. Oct. 1 passed. Last paid $1.75 Aug. 15, 1933.

Dividend Rate Increased:
Howe Sound, Oct. 15, 40c. to $1 per annum.
Investment Foundation pfd. paying 13c on arrears.

University Professors Support Central Bank

Evidence Submitted to Royal Commission in Toronto Involved Technicalities of Central Banking Procedure; Gregory Views Canada's Problems From International Viewpoint

Evidence presented in Toronto to the Royal Commission on Banking and Currency consisted in large part of the views expressed by economists from the University of Toronto, Queen's University and McMaster University. With the exception of Professor Michel, of McMaster, these professors were in favor of a central bank for Canada although it was generally agreed that growth in power and prestige of such an institution would be gradual.

The Financial Post summary of evidence presented to the Royal Commission which has been a feature of recent issues is continued:

Construction Seeks Aid

The National Construction Council of Canada was represented by George Oakley and J. C. Carswell. It was estimated that some 600,000 were engaged in construction in Canada before the present depression but that construction in 1933 would amount to only some 11½ per cent of the 1929 volume. Since January, 1930, some $400,000,000 of new construction has been held up for financial or other reasons. A housing shortage is a possibility in the future and the Royal Commission is asked if there is not a solution. It was held that some permanent financial machinery should be set up to better control the construction industry and spread work over years of depression as well as years of prosperity.

W. L. Somerville presented a short brief on the housing situation in which it was stated that there is a potential shortage in houses due to a decrease in the amount of house buildings to a point below that required to meet the normal increase in the number of families. The houses vacated as a result of the so-called "doubling up" process have been absorbed by the normal increase in family population so that today in larger centres there are not sufficient vacancies to house families now living in overcrowded conditions. The present almost complete lack of funds available for building purposes through the normal channels is one of the main items retarding recovery of home construction and the building trade. It was suggested that consideration be given to the provision of rediscount facilities within the banking system, which would ensure sound lending corporations, dealing in mortgages, against becoming frozen and unable to finance normal requirements in the mortgage and loan market.

Champions Finance Act

Professor Humphrey Michell, of McMaster University, left with the Commission a brief that referred to the alleged inadequacy of the Finance Act to function in the best interests of the country and the proposed benefits that would accrue from the setting up of a central bank. Principal charges against the Finance Act are that it does not function in the manner that a central bank presumably would in protecting the gold reserves of the country and that it does not control or manage credit by raising or lowering the discount rate. He believed that the Treasury Board and its administration of the Finance Act had been criticized mistakenly for not doing what it is powerless to accomplish. He believed that the Finance Act has functioned admirably as far as it has gone. The belief that a central bank would be able to give greater credit facilities to agriculture than do the chartered banks is unfounded and the belief that the right of note issue now exercised by the banks is of so valuable a character that it should be transferred to a central bank for the benefit of the country at large is also erroneous. Existing machinery could be used to promote currency inflation or deflation as well as could a central bank. The absence of a central bank does not make it more difficult for Canada to finance abroad. No central bank, unless it be endowed with a very great fund at its disposal, can in any fashion manage foreign exchange. Management of exchange is at best a hazardous business and the measure of success with which the sterling equalization fund has operated within the last few months hardly seems to warrant a central bank in Canada entering upon a similar course. He believed that no argument has as yet been advanced that would warrant the Dominion inaugurating a central bank.

Wants Right of Redress

Melville Grant representing the Village of Long Branch, Ont., believes that through a central bank or a central board of supervisors, municipalities should have the right of redress where they are refused an extension of credit by the banks. He reported the case of Long Branch which had not been able to get a required credit from the banks although it was claimed that security offered was more than sufficient.

J. Truman, president of the Ontario Fire & Casualty Insurance Agents' Association, asked that the chartered banks be prohibited from engaging in the insurance agency business either directly or indirectly through such affiliates or subsidiary companies or insurance agencies which they own or control. He stated that it was a matter of common belief that certain banks are directly or indirectly influencing the placing of insurance with agencies owned and controlled by trust companies which in turn are owned or controlled by the banks, and this was believed to be contrary to the intention of the Bank Act.

R. Wickham, representing the Canadian Federation of Insurance Agents gave evidence indicating a close relationship between the Bank of Montreal and the Royal Trust Co.

Favors Drastic Controls

Gordon Cockburn, chairman of the Economics Committee of the Economic Reform Association, stated that the three main topics of the Association's brief were the gold standard, the price level and a central bank. It was held that effective control over the general volume of banking credit, whether issued through the purchase of securities or through the extension of loans or by other means is essential in the public interest. Since 95 per cent of all transaction in Canada are affected by the use of bank credit and only 5 per cent through currency it is held that the attempt to control credit through the 5 per cent of currency is rather optimistic. It is proposed that should a central bank be founded it should have the power to directly tax the issues of credit by commercial banks, when the central bank sees fit, by a rate up to double the amount of income which the banks receive from such extensions of credit. On the other hand the central bank would have power to take direct action in providing additional credit and raising the price level if it should fall. It is suggested that the various departments of the Federal Government together with the provincial governments should prepare and maintain a programme of public works of an optional and non-income producing character which would be initiated whenever a deficiency of purchasing power made itself felt to the extent of lowering the general price level of consumers goods. These works would be financed by the permanent, non-interest bearing loans extended by the central bank.

K. A. Henderson, bond dealer, compared interest rates prevailing in Canada with rates prevailing in England and the United States. The rate on so-called "call" loans in Canada is 6 per cent which is practically fixed and which compares with ½ of 1 per cent in London and ¾ of 1 per cent in New York. Some plan to provide a free and natural money market would ultimately re-act favorably from the cost of Government financing. If it were possible for financial institutions, other than the chartered banks, to rediscount loans, it is possible that a discount house could operate efficiently in Canada to the benefit of public and corporate borrowers.

C. V. Kerslake, Dominion secretary of the Douglas Credit League of Canada, believed that certain bank advertising was misleading and urged that the banks be restrained from publishing misleading statements.

Gregory Gives Evidence

Dr. T. E. Gregory, University of London, Eng., appeared before the Royal Commission and was questioned in his capacity as an authority on world banking conditions. He believed that two special characteristics affecting Canada's economic life and credit position were the large extent to which the country is dependent upon foreign borrowings and the fluctuations of the national income with the world price level for Canadian export products. Because of the large productive area and the relatively small population with a restricted domestic market, Canada in the last twenty or thirty years has been burdened by the building of railways and roads far in advance of actual needs.

He believed that the influence which is exerted on the price level today comes more through a reluctance on the part of consumers to spend than it does through any failure of the absolute volume of credit to expand. The dynamic factor in the fluctuations of the price level in Canada is not so much the absolute volume of credit in the country as the rate at which capital investment takes place and that is itself a function of the ease or difficulty with which Canadian provinces and the federation and Canadian industries can borrow in foreign markets. On the other hand, he believed that the absolute volume of credit in Canada is primarily the function of Canadian export prices and that the banks, and the credit system in Canada, worked within a frame-work which is really controlled by forces operated partly in Europe and partly in the United States and any responsibility which devolves upon Canadian bankers must be regarded as dependent upon the wider frame-work within which Canadian life is contained. The price at which Canadian products are sold in the export market largely decides the ability of the Canadian provinces to borrow in New York and London.

Public Retards Recovery

The competitive commercial banker is circumscribed first by competition and second by the general economic environment in which he works. During a period of depression the problem is almost invariably forced on bankers as to how they are to conduct their affairs. The first effect of the depression is inevitably that foreign exchange reserves must run down. If prices for export products are low it becomes difficult to borrow and at the same time amortization and interest become a problem as well.

Finance Act Not Sufficient

Professor Gregory believed that economic recovery has been retarded by the tendency of the general public to keep its reserves in liquid form, such as bank deposits or actual currency, and until this attitude has been overcome there is not very much that bankers can do. He thought that there was some possibility that the practice of Canadian banks in keeping deposit rates and loan rates at a right level might have some slight influence in prolonging the depression.

Mr. Gregory said that his personal view was strongly in favor of the establishment of some kind of central banking institution in Canada, while Canada already possesses some kind of central banking institution in the shape of the special powers conferred upon the Ministry of Finance under the 1923 Act. He did not believe that this is a permanently satisfactory arrangement by which the rediscounting functions, upon which the safety of the banking system may ultimately depend in a moment of emergency, should be in the hands of a government department and therefore directly under control of the Minister of Finance of the day. He believed it of great advantage to any country to have a centre not only for rediscounting but as a centre of moral authority in moments of crisis and an authority which is also capable of exerting and expressing a certain volume of moral critique in moments of exaggerated pessimism. Canada suffers in comparison with other parts of the world because it has no central authority which can attend monetary conferences and confer with other central banking institutions and which can really be in the name of the Canadian people on financial and banking situations as a whole.

Part of Normal Machinery

He did not feel that the establishment of a central bank should be associated with emergency situations at all but that such a bank would be constantly supervising general credit conditions and ought to be part of the normal machinery of economic life. The central bank should have control of the Dominion note issue although the note issue of the chartered banks might be left approximately as they are at present. A central bank in Canada would have to establish rather novel methods of control of exchange in order to make its influence felt. This is due to the fact that no open market exists and the method of deflating the volume of purchasing power by the sale of securities may take a long time before it becomes effective. The great value of a central bank at the present time is not that it can cure the depression but that it is constantly thinking of ways of climbing out of it and of the relationship of its own currency policy to that of other countries while it is also in a position to represent this country in international and other monetary conferences.

Try to Govern Trade Cycle

"The real function of a central bank in the modern world is ultimately to prevent the trade cycle getting entirely out of hand. My own strong feeling is that the general function of a central bank can really only be exercised in co-operation with other central banks and that central banking only really functions effectively when some decision has been reached as to the basis of the currency policy of the country. I should not like to throw upon a central bank the definite task of eliminating the trade cycle." Professor Gregory felt that the present level of prices would be raised as soon as the vast mass of deposits in the majority of countries begins to be employed. To raise prices the Government may embark upon an ambitious policy of public works of a policy of large budget deficits, financing the public works or the deficit by borrowing from the central bank.

Private Note Issue Not Important

Questioned by Sir Charles Addis, Professor Gregory said that he would leave the fundamental portion of the note issue as it is but would remove the right to a 15 per cent seasonal increase because it might be very useful to test the ability of a central bank to keep in contact with the market. He advocated retention of the private note issuing privilege of the banks because it would enable an agreement to be arrived at more easily while the note issues of the commercial banks under competitive banking conditions do not represent any considerable power of note expansion in the aggregate. He believed that the commercial banks have exaggerated the value of the note issue to them. In view of the absence of an open market in Canada, he believed it absolutely indispensable that the commercial banks should be obliged to deposit a proportion of their cash reserves with a central bank.

Finance Act Unsuitable

Professor MacIntosh, Queen's University, stated that the Finance Act has operated extremely badly and either should be strengthened by placing it under the control of a Commission or that a central bank should be established. Prior to the war the banking system was simple and efficient in achieving the limited objectives of the monetary policy of that period. With the war, a revolutionary change was brought about by the Finance Act, a war time measure to provide within the country a source of cash reserves for the chartered banks. It fulfilled the requirements of the period, was perpetuated in 1923, and in less than three years Canadian currency had departed from gold parity and it had been demonstrated that the Finance Act was incompatible with the maintainance of the gold standard. The central bank, which would replace the Finance Act, should not be an elaborate top-heavy institution but should be modest in its beginnings yet capable of growth as its experience accumulates. It should be carefully dove-tailed into the structure of our commercial banking system so that the essential logic of that system may be preserved and so that the commercial banks may extend their very enviable record of sound, safe and useful banking.

Should Stabilize Exchange

Professor Knox, of Queen's University pointed out that Canada is subject to several influences which makes for instability in our economic life and as a result a purely domestic policy such as the stabilization of the level of wholesale prices is of a subordinate importance to the achievement of stability of the foreign exchange value of the Canadian dollar in terms of the currencies of the countries with which we trade. There should be a constant exercise of influence upon the total volume of credit, the movements of prices and of the foreign exchanges, such as can be exercised only by a special group of men charged with this as their sole task. Professor Curtis, Queen's University, presented a brief covering "problems in the establishment of a central bank." He favored a central bank which would be organized on a small scale and develop as circumstances require. The central bank should not be required to hold any specified reserves against its liabilities, either note or deposit, although a special reserve ratio should be insisted on for the commercial banks. The operations of a central bank would not be adversely affected if the banks were allowed a free issue up to existing paid-up capital. Such a limit would be permanent and central bank notes would provide the necessary currency over this amount.

Wide Rediscount Powers

If the present method of handling the Government business through the chartered banks is satisfactory, there is no reason why this business should be arbitrarily transferred to the central bank. The bank should be given wide powers to rediscount for the commercial banks and much could be said for giving to the central bank the power to state and to change the assets which are eligible for rediscount. There are not insuperable technical obstacles to the establishment of a Canadian central bank and many points can be adjusted so that conflicting views can be met.

Wants More and Better Statistics

Professor D. C. McGregor, University of Toronto, pointed out that, whatever the type of monetary control which the Commission recommends for Canada, accurate statistical data would always be needed for the guidance of monetary policy. No criticism is levelled at the Dominion Bureau of Statistics but it is felt that there should be more adequate figures on the volume of new financing in Canada which would distinguish between new issues and refunding loans. Statistics which indicate the income or purchasing power of the different sections of the community could be greatly expanded and improved while at the present time there are no monthly figures of wage or salary payments. Statistics of employment could be improved by including a larger proportion of workers engaged in the services such as sales clerks, office employees, teachers, etc.

W. C. Pitfield, president of the Investment Bankers' Association, objected to the banks sponsoring for public issue any securities in regard to which there may be the slightest doubt of their eventual value and of their ability to continue to pay interest. Details of this brief were given in The Financial Post of September 9.

Explains Discount Policy

J. P. Bell, of the Canadian Bank of Commerce, outlined for the commission the chief industries of Ontario and the manner in which the banks financed these industries. Questioned by Lord Macmillan as to the practice of the banks in extending loans to farmers particularly in regard to the criticism that had been made of the practice of discounting notes and compounding interest by renewing the notes once or twice before the loan was repaid, Mr. Bell stated that the practice of discounting notes is usual in other countries. The banks are entitled to sell their wares for cash and if the borrower buys say $500 the bank is entitled to be paid cash for it at the time of sale.

The effect of compounding interest, it is believed is unduly exaggerated and misunderstood. If a man's note for $500 is discounted for one year at 7 per cent, the bank deducts $35.25 discount. If the note is discounted for three months and then renewed and discounted three times during the year the borrower will be $1.85 better off than had the note been discounted for one year. Renewal of the loan at short intervals makes it possible for the banker to keep in contact with the position of the borrower. A considerable proportion of the loans to farmers in Ontario are unsecured.

The Financial Post's summary of the evidence will continue until the views of all witnesses have been given.

Index to Mining Stocks

The weighted index numbers of twenty mining stocks computed by the Dominion Bureau of Statistics on the base 1926=100, was 116.7 for the week ending September 21, as compared with 110.8 for the previous week.

Eleven gold stocks rose from 104.7 to 110.3, four gold-copper stocks from 145.2 to 152.6, and five silver and miscellaneous stocks from 42.1 to 46.1.

Mining Stock Quotations

Week Ending September 25.

Par Val.	Range 1933 High	Low	Company	Sales	Close Sept. 18 (or last)	High for week	Low for week	Close Sept. 25
1	.02¼	.00½	Aconda	3,600	.02	.01½	.01	.01
No	.30	.03	Aldermac	11,700	.23	.23	.22	.22½
1	.03⅞	.01	Alexandria	32,000	.02¼	.02¼	.02	.02
No	.06	.02	Algoma	134,000	.02¼	.02¼	.02	.02
1	.01½	.00¼	Algonquin	......	.00¾	.....	.....	.....
1	.06	.00½	Amity C.	59,000	.04½	.04½	.03½	.03¾
No	.74	.10	Amulet	24,775	.52	.56	.53	.56
1	.01	.00¼	Apex	......	.00¼	.....	.....	.....
1	.07½	.02	Area	7,500	.05½	.05½	.05½	.05½
No	.11	.06	Arno (new)	11,940	.07½	.08	.06	.07
1	1.36	.74	Ashley	10,456	1.10	1.20	1.09	1.10
1	.14	.02½	Bagamac	13,800	.05	.05	.04¼	.04¼
1	.03	.00¾	Baldwin	3,500	.01	.01¼	.01¼	.01¼
1	.20	.08	Barry Hollinger	25,150	.09½	.09¾	.08½	.09¼
1	2.45	.75	Base Metals	25,670	2.15	2.21	2.00	2.00
1	.78	.60	B.E.A.R.	55,300	.69	.72	.63	.71½
1	.40½	.08	Big Missouri	160,750	.19	.25	.18½	.20¼
1	.28½	.08½	Bobjo	29,240	.27	.27	.25	.25
No	13.25	2.28	Bralorne	16,080	12.90	13.15	12.00	12.25
1	.25	.15	Brett Trethewey	12,000	.20½	.22	.20	.21
1	.07½	.01½	Brownlee	397,200	.03½	.04½	.03	.03
1	.03	.00¾	Buckingham	19,200	.01¼	.01¼	.01	.01
No	.09¾	.01¼	Buffalo Can.	37,100	.07½	.07½	.04¼	.05
5	20.50	15.60	Bulolo	4,605	20.15	20.50	19.00	19.50
No	.10	.01¼	Bunker Hill	130,900	.08½	.09⅞	.08	.09⅞
5s	1.25	.60	B'Wana McKubwa	......	.75	.....	.....	.....
No	.05	.02½	Canam Metals	1,500	.05	.05	.05	.05
1	.12½	.03	Can. Kirkland	45,846	.09½	.09½	.09	.09
No	.48	.32	Can. Malartic	11,250	.46	.48	.40	.41
1	.02	.00¾	Capital Rouyn	27,500	.01	.01	.00⅞	.01
1	.03¼	.01	Cartier Malartic	......	.01	.....	.....	.....
1	.72	.15	Castle Trethewey	23,900	.61	.61	.53	.55
1	.18	.06	Cen. Manitoba	43,150	.13	.13½	.11	.13
1	.72	.17	Cen. Patricia	112,421	.59½	.72	.55	.70
No	.20	.03	Chibougamau Pros.	84,750	.07	.08½	.07	.07
No	.12	.03	Church. M. & Mill.	19,700	.09¼	.10	.08	.09¼
No	.04	.00⅞	Clericy	95,500	.03	.03	.02¼	.02¼
1	.03	.01	Clifton Cons.	1,000	.02	.01¼	.01¼	.01¼
5	9.00	1.65	Coast Copper	1,795	5.50	6.75	5.25	6.00
1	.15	.00½	Cobalt Contact	78,000	.07½	.07½	.06½	.06½
1	.33	.05	Columario	34,000	.16	.16½	.14	.14
5	1.90	.75	Coniagas	......	1.70	.....	.....	.....
No	1.00	.20	Coniaurum	2,306	.80	.95	.75	.80
25	144.00	54.00	Cons. Smelters	8,670	137.50	144.00	129.00	136.50
No	40.00	13.60	Dome Mines	25,671	38.50	40.00	35.00	35.75
No	.15½	.03½	Dom. Explorers	9,600	.07	.07⅞	.06	.06
1	.02½	.00½	Dominion Kirk	27,100	.01½	.01¼	.01½	.01¼
1	.04	.01	Don Rouyn	100	.01½	.01¼	.01¼	.01¼
1	.04¼	.01½	Duparquet	......	.01	.....	.....	.....
1	8.10	1.16	Eldorado	59,770	4.6[illegible]	4.66	4.00	4.20
No	4.55	1.80	Falconbridge	5,845	3.85	4.00	3.70	3.85
1	.06	.01	Federal	19,000	.02½	.02¾	.02½	.02½
No	.07	.01	Gilbec	36,700	.03½	.03¾	.03	.03¾
1	.17	.04	Goldale	30,850	.13½	.14	.13	.13
10	.29	.10	Goldfield	6,300	.20½	.22	.19	.22
	.01¾	.01	Gold Reef	......	.01	.....	.....	.....
1	.15	.02	Goodfish	71,505	.13½	.14	.12	.13
1	.04	.01	Graham	10,500	.02	.02½	.02	.02½
1	1.95	.75	Granada	33,725	.88	.93	.85	.86
1	.18	.06	Grozelle	2,000	.07	.06	.06	.06
1	.45	.24	Halcrow Swayze	6,500	.45	.45	.41½	.41½
1	.06	.02	Harker	5,200	.03⅞	.04	.03	.03
1	.01½	.00½	Hilltop	2,500	.01	.01	.00½	.00¾
5	11.00	6.00	Hollinger	37,180	10.70	11.00	10.30	10.65
1	1.15	.61	Howey Gold	142,265	1.08	1.15	1.03	1.12
No	12.25	3.10	Hudson Bay	4,900	11.25	12.25	10.30	10.50
No	.55	.25	Huronian	120	.45	.40	.40	.40
1	12.25	8.50	Inter. Mining	920	11.25	12.25	10.75	10.75
No	23.25	8.00	Int. Nickel	120,560	22.05	22.70	20.20	20.50
1	.04¾	.00¾	Jackson Manion	561,200	.02⅞	.04¾	.03½	.04½
1	.70	.20	Keeley	3,250	.53	.55	.50	.52
1	.02	.00½	Keora Mines	1,000	.00⅞	.01¼	.01¼	.01¼
1	.76	.48	Kirk. Hud. Bay	1,100	.55	.55	.55	.55
1	.02⅞	.00½	Kirk. Hunton	2,000	.00⅞	.00⅞	.00⅞	.00⅞
1	.52	.30	Kirkland Lake	35,845	.36	.38	.32½	.34
1	.04	.01½	Kirkland Premier	5,500	.02½	.02	.01⅞	.02
1	.52	.12	Kirk. Townsite	47,550	.43	.43½	.36	.36
20c	.02⅞	.00½	Koot. Florence	9,500	.01¼	.02	.01½	.01½
1	.35	.15	Lakeland	4,000	.25	.25	.24	.24
No	.32	.07	Lake Maron	59,900	.16	.16	.13	.14
1	50.00	30.75	Lake Shore	32,004	48.00	50.00	47.50	48.50
1	.23½	.02¼	Lebel Oro	65,900	.20	.20	.18	.19
No	.29	.11	Lee Gold	67,500	.18⅞	.18½	.15½	.17
1	1.10	.20	Macassa	445,000	.93	1.10	.93	1.05
1	.07¾	.01	Malrobic	79,100	.05½	.05½	.03½	.03½
No	.17	.02	Mandy	6,000	.10	.11	.09½	.11
No	.07	.01	Manitoba Basin	46,200	.02½	.02¼	.02	.02¼
5	47.50	21.20	McIntyre	31,221	45.25	47.50	43.00	43.00
1	.55	.30	McKinley	......	.51	.....	.....	.....
No	.08	.02½	McLeod River	27,000	.03	.03	.02½	.02½
1	.35	.03	McMillan	15,500	.30½	.31½	.28½	.28½
No	1.15	.46	McWatters	39,150	.82	.85	.74	.74
1	1.05	.15	McVittie	73,600	1.00	1.00	.94	.95
5	1.25	.06	Mentor Exp. & Dev.	......	1.05	.....	.....	.....
1	.45	.30	Metropolitan Gold	34,950	.42	.45	.41½	.44
No	2.65	1.20	Mining Corp.	5,230	2.25	2.30	1.99	2.05
1	.05	.01½	Moffatt Hall	31,200	.02¾	.02½	.02	.02
1	.12½	.02	Moneta	5,150	.09½	.10	.09	.09½
1	.00½	.00½	Montreal Rouyn	......	.00½	.....	.....	.....
No	.12½	.05	Moss (new)	27,225	.08½	.08½	.05	.05
1	.03¼	.00⅞	Murphy	5,500	.01½	.01¼	.01½	.01¼
No	.06½	.02¼	Newbec	13,000	.03½	.03½	.03	.03¼
1	.06¼	.01¼	Night-Hawk Penn.	8,500	.04½	.05	.04½	.04½
5	3.50	1.15	Nipissing	12,505	2.81	2.85	2.38	2.50
No	39.25	19.75	Noranda	44,849	36.75	39.25	35.25	36.25
No	.52	.32½	Nor. Canada	7,100	.36½	.37	.33	.33
No	.45	.19½	Normont-Gold	15,200	.44	.45	.43	.45
1	.34	.05	Osisko	2,800	.16	.16	.16	.16
1	.32½	.11	Parkhill	89,150	.29	.32½	.28	.32
1	.03¾	.01	Pawnee Kirk.	......	.02	.....	.....	.....
1	.25½	.20	Paymaster	29,620	.23	.25	.23	.25
1	1.80	.50	Pend Oreille	8,450	1.16	1.30	1.10	1.10
1	.04½	.00½	Peterson Cobalt	6,500	.02¼	.02¼	.02	.02
1	16.25	4.30	Pioneer Gold B.C.	13,540	13.25	12.80	11.50	11.50
1	.03	.00½	Porcupine Crown	2,000	.01¼	.01¼	.01¼	.01¼
1	.01¾	.00½	Potter Doal	4,000	.01	.01	.00⅞	.01
1	1.60	.55	Premier Gold	11,470	1.30	1.38	1.25	1.30
1	.03¼	.00¼	Preston E. Dome	5,000	.01⅞	.02	.01¾	.02
No	1.75	.68	Prospectors Air's	22,300	.82	.90	.80	.90
No	.15	.03	Quemont	500	.09⅞	.10	.10	.10
1	.51	.33	Read Authier	3,800	.45	.44	.40	.40
1	2.75	1.17	Reno Gold	31,920	1.33	1.35	1.20	1.21
1	.03½	.00½	Ribago	12,000	.01½	.01½	.01	.01
1	.03	.01¼	Ritchie	34,000	.02	.02	.01¼	.01
1	.04½	.01	Robb Montbray	3,000	.03	.03	.02¾	.02¾
1	1.42	.75	San Antonio	50,895	1.24	1.42	1.23	1.40½
1	.07	.02	Seven Troughs	......	.07	.....	.....	.....
1	1.90	.33	Sherritt Gordon	41,290	1.39	1.50	1.29	1.32
1	1.78	1.25	Siscoe	87,855	1.55	1.59	1.45	1.48
1	.10½	.02¼	South Keora	1,000	.03½	.03¾	.03½	.03½
No	.07½	.01¼	Stadacona	249,450	.04½	.04¾	.04	.04
1	.60	.07	St. Anthony	20,400	.38	.42	.36	.40
No	2.21	.60	Sudbury Basin	6,630	1.64	1.70	1.50	1.55
1	.15	.00½	Sudbury Contact	16,900	.07½	.10	.07½	.09½
1	.02	.00½	Sudbury Mines	4,000	.01½	.01½	.01¼	.01¼
No	.25	.16½	Sudbury Nickel	......	.22	.....	.....	.....
1	.38½	.17	Sullivan	16,900	.18	.19	.17	.17
1	1.44	.72	Sylvanite	54,225	1.28	1.30	1.24	1.27
1	.03½	.01½	Tashota	......	.01½	.....	.....	.....
1	7.25	3.70	Teck Hughes	67,755	6.75	6.90	6.50	6.60
1	.20	.03	Thom. Cadillac	29,200	.15½	.16	.14½	.15
1	.61	.10	Towagmac	9,350	.51	.51	.49	.50
1	3.00	1.00	Treadwell	950	1.65	1.70	1.55	1.65
1	.22½	.04	United Kirkland	37,450	.13½	.22½	.14	.21
No	.06½	.01½	Vacuum Gas	23,000	.02¼	.02¼	.02	.02
No	2.40	.30	Venezuela	......	1.06	.....	.....	.....
No	1.50	.80	Ventures	61,475	1.08	1.08	.99	1.00
1	.22	.02	Vickers	10,000	.02	.02½	.02	.02½
1	.75	.20	Vipond	7,081	.55½	.56	.49	.54
No	2.55	.35	Waite Ackerman	600	1.65	1.70	1.60	1.60
50c	.75	.33	Wayside	139,050	.53½	.54	.48	.49
No	.29	.24½	White-Eagle	20,300	.28	.28	.25	.26
1	.08	.02½	White Lake	2,000	.05	.06	.04½	.04½
1	.28	.02	Wiltsey Coughlan	94,400	.16½	.19½	.16	.18
1	.27	.06	Wood Kirkland	6,500	.07	.07	.06	.06½
No	8.60	3.73	Wright-Hargreaves	76,650	8.50	8.60	7.70	7.90
			OIL STOCKS					
No	.32	.07½	Acme Gas & Oil	48,850	.22	.22	.19½	.20
1	.04¾	.04½	Admiral	......	.04¾	.....	.....	.....
No	.01	.01	Advance Oils	......	.01	.....	.....	.....
1	1.60	.55	Ajax	10,100	1.37	1.37	1.25	1.20
1	.68	.05	Alta. Pacific	5,224	.26½	.27	.23	.25½
1	.20	.05	Amalgamated	8,600	.15	.16	.14	.16
No	1.10	.04½	Associated	9,035	.38	.38	.30	.30
No	.26	.01	Baltac	4,100	.10	.10	.08	.08
No	2.50	.25	Calgary & Ed.	2,100	1.51	1.40	1.36	1.40
1	.45	.03	Calmont	4,950	.15	.16	.14	.14
1	.25	.03½	Common Pete	400	.10	.10	.10	.10
No	2.50	.11	Dalhousie	4,240	.65	.70	.60	.60
No	.19	.02	Devenish	5,620	.14	.14	.12	.14
No	.55	.05½	East Crest	28,875	.40	.41	.35	.39½
No	.36	.22½	Erie Gas	1,000	.22½	.25	.24	.25
No	.02	.00¾	Fabyan Pete	1,000	.01	.01½	.00⅞	.01½
No	1.75	.06	Foothills	525	.45	.50	.45	.50
No	.28	.06	Freehold	4,520	.13	.14	.13	.13
No	.12	.01½	Hargal	4,500	.11	.10½	.10	.10½
No	4.05	.30	Home	19,595	2.25	2.45	2.10	2.10
No	.05	.02½	Homestead	1,000	.02½	.02¼	.02¼	.02¼
1	.25	.10	Homestead O. & G.	7,600	.20	.19½	.15	.15½
No	.47	.10	Lowery	100	.35	.25	.25	.25
No	.06½	.03	Madison	113,200	.05½	.06½	.04½	.05½
No	.20	.05½	Marjon Oil	2,500	.13½	.14	.12	.12
1	1.85	.14	Mayland	850	1.37	1.40	1.35	1.40
No	.10	.03½	McD. Segur Ex.	11,500	.07½	.07½	.06½	.07
	.08¾	.05½	McD. Segur N.	2,500	.08	.07	.07	.07
1	1.10	.25	McLeod	850	.40	.43	.40	.40
No	.30	.07½	Mercury	18,050	.17	.19	.18	.18
No	.45	.11	Merland	9,000	.33	.33	.30	.30
	.01½	.01	Mid West	......	.01½	.....	.....	.....
No	.35	.09	Mill City Pete	......	.15	.....	.....	.....
1	.50	.12	Model	3,950	.29	.38	.29	.36
5	.30	.09	Nordon	12,000	.15	.15	.13½	.14
No	.12½	.02¾	Oil Selections	64,650	.09½	.09½	.08	.08
No	.20	.04½	Okalta	1,300	.08½	.08¾	.08½	.08½
No	.61	.20	Olga Gas & Oil	6,000	.37	.37	.31	.37
1	.25	.13	Petrol Oil & Gas	4,000	.22	.23	.20	.20
No	.02	.02	Richfield	......	.02	.....	.....	.....
No	23.00	5.75	Royalite	427	17.00	17.00	15.50	16.00
1	.25	.05	Sarnia Oil	2,800	.13½	.13¾	.12	.12
No	.45	.04	South West Pete.	1,000	.24	.22½	.23½	.22½
1	.39	.06	Spooner	600	.25	.23	.22	.23
No	.75	.12	Sterling Pacific	1,500	.44	.41½	.38	.39
	.43½	.43	Trinidad Oil	......	.43½	.....	.....	.....
No	.25	.03	United	4,500	.10	.10	.09	.10
No	.25	.06	Vanalta	1,200	.12	.16	.12½	.16
No	.08	.00½	Wainwell	13,100	.03	.03¼	.03	.03

VANCOUVER STOCK EXCHANGE

(September for Week to September 19.)

Par Val.	Range 1933 High	Low	Company	Sales	Close Sept. 12 (or last)	High for week	Low for week	Close Sept. 19
25c	.03	.00¾	Bayview	500	.02	.02	.02	.02
20c	.10½	.02¼	Beaver Silver	53,600	.09	.09½	.08½	.08¾
25c	.17	.03	Big Slide	4,000	.04¾	.04¾	.03	.03
25c	.06½	.02	Bluebird	1,000	.02½	.02½	.02½	.02½
No	13.00	1.38	Bralorne	10,009	11.50	13.00	11.40	12.85
1	.57	.05	Bridge River Cons.	28,260	.35	.38	.34	.37
50c	.71	.35	Bridge River Exp.	25,600	.46	.50	.43½	.45
100	89.00	88.50	B. C. Electric, pfd	......	88.50	.....	.....	.....
1	1.50	.60	B. C. Silver	......	1.00	.....	.....	.....
No	.82	.52	Burns Mountain	......	.55	.....	.....	.....
1	4.60	1.50	Cariboo Gold	26,240	4.02	4.60	3.84	4.30
No	12.90	5.60	Coast Breweries	290	11.00	11.00	10.60	10.60
25c	.02½	.00½	Cork Province	......	.01	.....	.....	.....
1	.05	.02½	Cotton Belt	......	.05	.....	.....	.....
1	.08	.00½	Dalhousie Mines	2,000	.03	.03½	.03½	.03½
1	.21½	.02	Dunwell	6,000	.12	.13	.12	.13
1	1.00	.28	George Copper	......	.36	.....	.....	.....
50c	.12	.03	Geo. Enterprise	1,000	.04	.03	.03	.03
1	.09¾	.02	Georgia River	13,400	.04	.04½	.04	.04½
1	.60	.16	Golconda	900	.30	.37	.34	.37
50c	1.25	.50	Gold Belt	1,750	.55	.60	.50	.60
1	1.50	.95	Golden Belle	......	1.50	.....	.....	.....
50c	.11	.03½	Grandview	8,300	.04½	.05	.04½	.04½
1	.01½	.00½	Independence	......	.00½	.....	.....	.....
1	.03½	.02	Indian Mines	......	.02½	.....	.....	.....
1	.17	.08½	Inter. Coal	......	.14	.....	.....	.....
1	.36	.36	Jack Waite	......	.36	.....	.....	.....
50c	.57	.27	Kootenay Belle	9,600	.30	.29	.27	.28
25c	.04	.00½	Kootenay King	......	.01½	.....	.....	.....
25c	.01	.00½	L. & L.	2,000	.00½	.00½	.00½	.00½
1	.01	.00½	Lakeview	1,000	.00½	.00½	.00½	.00½
10c	.06½	.01	Lucky Jim	500	.06	.06	.03½	.03½
50c	.01½	.00½	Marmot Metals	......	.00½	.....	.....	.....
10c	1.05	.20	Meridian Mines	91,950	.45	.47½	.44	.45
5	.13	.04½	Metaline Metals	......	.05½	.....	.....	.....
	.01	.00½	Mohawk	......	.00½	.....	.....	.....
	.17	.10	Mogul	1,000	.13	.10	.10	.10
50c	.41	.18	Morning Star	23,200	.26½	.27	.24	.27
1	.06	.00½	Morton Woolsey	1,400	.02	.03	.02	.03
1	.20	.05½	Native Sons	39,800	.10	.10	.09	.09½
50c	.10½	.00½	National Silver	48,500	.06½	.07½	.06½	.07
50c	.96	.74	Nicola	30,100	.92	.94	.89	.90
50c	.21½	.02½	Noble Five	53,650	.13	.16	.11½	.13½
50c	.01	.00½	Oregon Copper	......	.01	.....	.....	.....
1	.35	.20	Pavilion	......	.20	.....	.....	.....
1	1.25	.40	Pioneer Extension	......	1.10	.....	.....	.....
1	16.10	4.30	Pioneer Gold	4,550	11.85	13.25	11.65	13.00
1	.11	.10	Planet	......	.10	.....	.....	.....
50c	.19	.04½	Porter Idaho	14,300	.11	.13	.10½	.12
No	.04	.00½	Premier Border	326,001	.02½	.02½	.02	.02
1	.10	.02	Quatsino Copper	......	.04	.....	.....	.....
No	.42	.10	Reeves McDonald	......	.20	.....	.....	.....
1	.30	.25	Reliance	......	.27	.....	.....	.....
1	2.70	.60	Reno Gold	51,875	1.26	1.38	1.17	1.32
1	.22	.04	Reward Mining	10,500	.12	.12	.11	.11½
1	.10	.01	Rufus Argenta	2,100	.04	.05	.04½	.04½
1	.07	.02	Ruth Hope	2,150	.02½	.02½	.02	.02½
1	.65	.40	Sally Mines	2,750	.45	.46	.45	.46
1	.15	.03½	Silverado	4,500	.07½	.09	.08	.09
25c	.09	.01	Silver Crest	23,400	.04	.04	.03½	.04
20c	.03¼	.01½	Silversmith	2,500	.01½	.02	.01½	.02
50c	.04½	.01	Snowflake	1,500	.02	.01½	.01½	.01½
25c	.06	.06	Sonora	......	.06	.....	.....	.....
1	.61	.40	Standard Gold	......	.40	.....	.....	.....
1	.50	.20	Sunloch	500	.26	.25	.25	.25
5	.40	.20	Toric	......	.40	.....	.....	.....
50c	.03½	.01	Topley Richfield	10,500	.02	.01½	.01	.01½
50c	.70	.08	Wayside	90,800	.54	.55	.49	.50½
25c	.12	.01½	Waverly Tangier	163,150	.03⅞	.05	.03½	.04½
20c	.05	.01½	Wellington	19,300	.02½	.02½	.02	.02½
No	.36	.25	White Eagle	4,250	.27	.27	.24	.26
1	.18	.03	Whitewater	10,500	.09	.11	.09½	.09½
1	.48	.40	Yankee Belle	......	.42	.....	.....	.....

DIVIDEND PAYERS

Company	Rate	Yield %	Company	Rate	Yield %
Ajax Oil	8c.	6.34	McLeod Oils‡	5c.	.....
Coast Brew.	92c.	.....	Merland Oils‡	5c.	.....
Coniagas‡	12½c.	.....	Noranda‡	50c.	.....
Coniaurum†	3c.	.....	Petrol Oil	°2c.	.....
Cons. Smelters*	10%	.....	Premier	12c.	9.23
Dome Mines	$1+55c.	4.33	Pioneer, B.C.	60c.	5.21
Falconbridge	20c.	.....	Royalite	50c.	.....
Goldfield Cons.‡	5c.	.....	Siscoe	12c.	8.10
Hollinger	65c.+10c.	7.04	Sterling Pacific Oil‡	3c.	.....
Howe Sound	$1	.....	Sylvanite	4+3½c.	.....
Int. Coal & Coke‡	2c.	.....	Teck-Hughes	60c.	9.09
Lake Shore	$2+$1	6.18	Wright-Har.	20c.+10c.	3.79
McIntyre	$1+75c.	4.07			

*Stock. ‡Interim. †Initial. °Paid in 1932.

Unlisted Mining Stocks

September 26, 1933

	Bid	Ask		Bid	Ask
Abana	.03	..	Lake Malartic	..	1.22
Adanac G. Un.	100.00	...	Little Long Lac	.70	.72
Alschbach Gold	..	.06	McCarthy Webb.	.04	.05
Athadome	.06	.09	McChesney Moss Un.	20.00	35 00
Arntfield Gold	.60	..	MacKenzie Red Lake	.53	.57
Arntfield Synd.	.45	..	Man. & Eastern	.03	.04
Astoria Rouyn	.02	.04	Maple Leaf M.	.25	.28
Bathurst	.03	.03½	Matachewan Can.	.06	.08
Beattie	1.53	1.58	Mecca Gold	.20	.23
Bidgood	.01¾	.02¾	Metals Develop.	.04	.06
Brubaker Units	..	300.00	Minaker Kirk.	.32	.40
Buff. Ankerite	.95	1.05	Mindoka	.02	.04
Bussieres Min.	.20	.30	Minefinders	1.00	..
Can. Pandora	.25	.30	Minrand Gold	.28	.34
Can. Radium	.10	.14	Montreal-Alb. Petroleum	.38	..
Canusa Gold	.01½	.03	N.A.M.E. Units	4.50	6.00
Cochenour-Wil. Units	15.00	20.00	Normetal Min.	.50	.75
Continental Gas	.14	.16	Northl'd Pros.	500.00	700.00
Continental Kirk.	.04	.06	N'W Que. Pros.	15.00	22.00
Crown Reserve	.01½	.02½	Old Colony	00½	.01½
Delta	50.00	75.00	Opemiska Copper	.06	..
Dentonia Mines	.20	.25	Oro Grande Dev.	.50	.75
Dorval Siscoe Units	12.00	19.00	Pandora	.26	.29
Dunkin	.01	.02	Peninsular Pet.	.01	.01¾
Dunlop Cons.	.06¼	.07¼	Peerless G. Un.	8.00	11.00
Eagle Oil	1.20	1.35	Pontiac Rouyn	.38	.42
East Rouyn	.15	.18	Quebec Pros.	.8[illegible]	..
Echo Bay Explor.	..	.35	Queen Lebel	.03	.04
Elbow Lake-Shore Un.	..	50.00	Rubec Mines	.02	.03½
Fairmac Un.	..	10.00	Silveradium Un.	75.00	..
Fiske Gold	.01	.02	Smelter Gold	.21½	.23
Flintoba	.00¼	.01	Sourdough Un.	5.00	..
Galatea Units	30.00	50.00	South Tiblemont Units	37.00	43.00
Glenora Gold	.35	.40	Sun Bear	.30	.35
God's Lake	.76	.79	Sunorca Explor.	1.15	1.25
Gr. Bear Lake	.40	.45	Swayze Contact	.15	.17
Greene Stabell	.50	.55	Tiblemont Island	.11	.13
Hayden Gold	..	.06	Tom Montgomery Un.	125.00	175.00
Holytrex	.01	.02½	Tyrrell Tp. McN.	..	40.00
Horseshoe	.14½	.16½	West McWatters Units	..	15.00
Island Lake	.20½	.21½	Young Davidson	.19	.28
Kenty Gold	1.35	1.45			
Kirk. Divide	.20	.25			
Kirk. Gold	..	.25			
Lake Geneva	.20	.25			

The above table is made up from quotation sheets of several brokers. The Financial Post does not guarantee the quotations but can supply any subscriber with the name of the broker from whose sheet any particular quotation was taken.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.

September 26, 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Oct.	89.00	5.29
Alberta	5	1 July, 1943	1 Jan.	96.00	5.52
Alberta	6	1 Mar., 1947	1 Mar.	103.50	5.63
*British Columbia	4½	1 Oct., 1958	1 Oct.	90.50	5.26
*British Columbia	5	15 Jan., 1948	15 Jan.	95.50	5.45
British Columbia	6	15 Feb., 1947	15 Feb.	103.00	5.68
Manitoba	4	1 July, 1947	1 Jan.	83.00	5.79
*Manitoba	5	2 Dec., 1959	2 Dec.	94.00	5.43
Manitoba	6	1 Apr., 1947	1 Oct.	100.50	5.95
*New Brunswick	4	1 June, 1948	1 Dec.	92.00	4.75
*New Brunswick	4½	15 June, 1936	15 Dec.	101.00	4.37
New Brunswick	5½	15 May, 1950	15 Nov.	106.00	4.97
*Nova Scotia	4½	15 Nov., 1948	15 Nov.	100.50	4.45
Nova Scotia	5	1 May, 1943	1 Nov.	102.00	4.75
*Ontario	4½	1 Sept., 1944	1 Mar.	103.00	4.10
Ontario	5	15 Oct., 1948	15 Oct.	105.00	4.55
Ontario	5½	1 Feb., 1947	1 Feb.	109.00	4.60
P. E. I.	4	1 Apr., 1939	1 Oct.	96.90	4.60
P. E. I.	6	1 May, 1947	1 Nov.	112.00	4.81
*Quebec	4½	1 May, 1961	1 Nov.	102.00	4.13
*Saskatchewan	4½	1 Sept., 1955	1 Mar.	86.50	5.57
*Saskatchewan	5	1 Nov., 1959	1 Nov.	92.00	5.58
Saskatchewan	6	15 Mar., 1952	15 Mar.	100.50	5.95
*Newfoundland	5	31 Dec., 1952	31 Dec.	84.00	6.45
*Newfoundland	5½	1 July, 1939	1 Jan.	86.50	8.42
*Newfoundland	6½	30 June, 1936	31 Dec.	97.00	7.72
Cities					
*Montreal	5	1 Sept., 1963	1 Mar.	104.80	4.70
*Toronto	4½	1 Jan., 1955	1 Jan.	100.00	4.50
*Vancouver	5	15 Jan., 1970	15 Jan.	94.00	5.37
Winnipeg	5	1 Mar., 1944	1 Mar.	93.50	5.78
*Edmonton	5½	1 Apr., 1947	1 Oct.	92.50	6.32
Calgary	5	1 Jan., 1943	1 Jan.	90.00	6.42
Halifax	6	1 July, 1951	1 Jan.	115.01	4.75
Saint John	5	15 Dec., 1950	15 Dec.	102.95	4.75
Regina	4½	1 July, 1950	1 Jan.	79.60	6.50
Victoria	5	21 July, 1945	21 Jan.	93.56	5.75
Quebec	5	1 June, 1948	1 Dec.	101.00	4.90

*Payable in New York.

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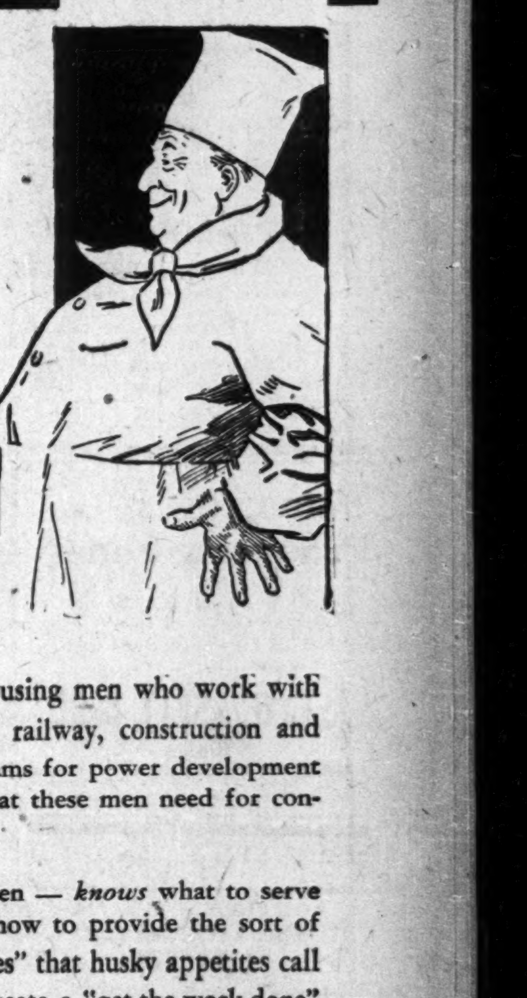
The BIGGEST COOK IN CANADA
is used to feeding men in numbers



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The Week in Mining

John A. Reid Travels

JOHN A. REID, B.Sc., one of Canada's best known mining engineers and geologists, is also one of its most travelled mining men. Last week he left on his second pilgrimage to Central America within 10 months. A year ago he spent the season at Great Bear Lake, so that he has not lacked for climatic changes.

His present trip is expected to last at least six months and among other duties he will keep a watchful eye on the Veraguas Mines operations of F. M. Connell in Panama.

* * *

Hammell Talks

IN A recent address before the Rotary Club of St. Catharines, Ont., John E. Hammell, Canada's colorful mining exponent, gave an impromptu talk on Canada's mining potentialities in his own inimitable way and much to the enjoyment of his listeners.

Tracing the rapid progress of Canadian mining in the last 25 years, Mr. Hammell declared that Canada today would be flat on its back if it was not for its gold mines and urged his listeners to have a little more confidence in their own great hinterland—to invest their money in Canadian mining after careful investigation of those sponsoring the enterprises.

In his rapid-fire and humorously punctuated address he suggested that local men grub stake some of the unemployed and send them into the north country, stating that two engineers and ten prospectors were better than all the engineers.

* * *

Waterloo Gold Mines Financing

SOME time ago The Financial Post carried the news item from a London, England, correspondent to the effect that shares of Waterloo Gold Mines were being sold in Great Britain by B. C. Investments Ltd. at 22s. 6d. per share, equivalent to nearly $5.50 in Canadian funds. Official advice has now been received from the secretary of Waterloo Gold Mines explaining that while a block of treasury shares was optioned to B. C. Investments Ltd., at eight and ten cents per share, the option was cancelled in May, 1933, as B. C. Investments failed to live up to the terms.

Work is proceeding at the company's property in the Lightning Peak area near Edgewood, B.C., and four cars of ore have been shipped from development work which averaged 280 oz. of silver and 1.45 oz. of gold per ton.

It is unfortunate that fiscal agents of Canadian mining enterprises in Great Britain create such bad impresions of mining in Canada by marketing shares costing from eight to ten cents per share at such a fabulous profit. When information regarding these promotional activities in Great Britain leaks out in Canada there is naturally an unfavorable reaction. This makes it imperative that companies place some restriction on the spread between the cost and selling price of their shares by the fiscal agents if they do not wish unfavorable publicity as to the activities of their fiscal agents.

Present finances for Waterloo's operations are coming from Col. Victor Spencer, of Vancouver, who has optioned the remaining treasury shares of the company at ten cents each.

Consolidated Tin Faces Bankruptcy

In an urgent plea, C. K. Langford, president of Consolidated Tin Corp., Winnipeg, asks shareholders to provide $2,500 and offers 100,000 treasury shares at 4 cents each to meet lease rentals due October 1, or face bankruptcy.

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Canadian Mining News

CREDITOR SEEKS PLACE MOSS GOLD IN RECEIVERSHIP

Directors Will Not Oppose Petition — Position is Outlined

Another crisis has been reached in the affairs of Moss Gold Mines when a petition was asked last week for a receiving order against the company and for the appointment of Chartered Trust & Executor Co. as custodians of property and assets. Moss directors have decided not to oppose the petition. Readers of The Financial Post were not altogether surprised by present financial affairs of the company because last spring a warning was given that the share activity in the market and the prices prevailing held a sinister outlook for shareholders. Shortly afterwards a shake-up in the management of the company and the resignation of Norman R. Fisher, president and chief sponsor of the company, brought hope for the shareholders that a reorganization might be averted. However, in July last a capital reorganization took place and the old shareholders were given one new share for each four shares held and, in addition, a $300,000 ten-year six per cent funded debt was created to be secured by a mortgage on the property.

The amazing angle of the company's affairs has been made more difficult to understand because as at March 23, 1931, it had over $400,000 cash in its treasury with which to rehabilitate the property and build a 150-ton mill and power plant, deemed adequate using even expensive equipment. A second-hand Diesel engine was purchased and much of the equipment used in the mill was second-hand, some of ancient vintage with the result that break-downs and complications proved costly. As a result the company's fat treasury melted away at a rapid rate nothwithstanding its gold production, which in 1932 amounted to some $174,000.

In a letter to shareholders C. G. Greenshield, president of the company, who has made a courageous effort to rescue the company from its plight, acquaints the shareholders with its present position.

"The directors decided that in view of the company's financial situation it could not oppose this action.

"As a result of these proceedings the property and assets of the company will be conserved for the benefit of its creditors and shareholders and an effort will now be made to work out a plan of reorganization designed to safeguard the interests of all concerned.

"For the present, mining and milling operations are being continued but diamond drilling and other development programme has necessarily been suspended."

Pay Off Loan

After noting the recent steps taken toward reorganization of the company the letter comments as follows:

"The deferred loan amounted to $96,885.26 which it appeared on the balance sheet last submitted to shareholders was paid off by the issue of treasury stock to the loan creditor at the price of 20 cents per share. An offering was made to shareholders to subscribe to ten-year six per cent cumulative convertible income notes of the company. The response of the shareholders to this offering was not considered sufficient to justify the director in proceeding with this note issue. Concurrently with this offering the directors endeavored to arrange to secure funds from the sale of treasury stock.

Reach New Agreement

"An agreement was concluded which provided for minimum payments to amounts and within delays sufficient to furnish the necessary funds for the operating and development programme and to take care of accruing liabilities.

"On September 9 default was made under this agreement with the result that the company found itself with insufficient funds to meet pressing liabilities and operating and development expenses at the property. The directors did not succeed in making other financial arrangements and consequently the development programme was immediately suspended and operations were confined to mining and milling the developed ore."

Amity Copper Elects New Board of Directors

At a meeting of shareholders of Amity Copper & Gold Mines, held at Matheson, Ont., on September 22, refinancing plans were approved preparatory to resuming operations at the company's property in the Boston Creek area of Ontario.

A complete new board of directors was recently elected, headed by R. S. Potter, pres., and P. E. Doal, vice-pres., both of Matheson, Ont. The balance of the board comprised Jacob Beggs, of Matheson; Edward E. Potter, and Thomas Hall, of Swastika, Howard Webb, and Frank Gardner, of Toronto, also sec.-treas. of the company.

The plans of the company to resume development of its property is expected within two weeks. The previous management of the company shipped 12 cars of ore to the Noranda smelters when copper sold near 18 cents a pound, which did not permit of a profit and operations were suspended in 1930 and directors were giving consideration to winding up the company.

Cariboo Gold Quartz Answers Its Sceptics Revitalizes Old Area

Vision and Courage of F. M. Wells Starts Gold Rush

Buffeting its way against financing obstacles and derision in many mining circles, Cariboo Gold Quartz Mining Co., after a six-year effort, has succeeded in drawing public attention to the famous old Cariboo placer district of British Columbia for its lode mining possibilities.

Probably no gold mining undertaking in recent years has created the comment and been so eagerly watched as have the activities of the sturdy sponsors of this enterprise. They are now reaping the fruits of their efforts because since January last a mill of 60 tons capacity has been in daily production and is currently producing approximately $1,000 daily. Quartz, the tenacious pioneer.

Cariboo Produced $40,000,000

To get a proper perspective of the Cariboo, one must turn back to the early sixties when a mad rush of prospectors from the lower regions of the Fraser River came north to find famous placer deposits of Williams and adjacent creeks in the Cariboo district of which Barkerville is the centre. From these early placer operations approximately $40,000,000 was gleaned by the pan and rocker and strange though it may seem little consideration was given to such a fertile area for its lode gold mining possibilities, although Dr. Uglo long ago reported on its favorable geological formation. It is true that its lode mining possibilities were not entirely ignored, for in the Barkerville area at least two small stamp mills of early vintage were operated in the seventies. The ore was not amenable to the early metallurgical practice then in vogue and a black eye was given the district from which it did not recover until Fred M. Wells, a seasoned prospector of many British Columbia camps, returned to the Barkerville area and there staked his claims confident that some day Barkerville would shed its ghost town appearance and again hum with its long forgotten activity of the early sixties.

Wells Had Faith

Strong as Wells' faith was in his Cariboo, it took many years to prove his theory, and here enters O. H. Solibakke as fiscal agent of the company, who for the past six years has struggled to raise dollar by dollar the funds so sorely required. A third member of the trio is Dr. W. B. Burnett, a Vancouver physician who poured his savings and energy into the project on which mining eyes now focus.

Development has centred about the Rainbow claims, acquired from A. E. Saunders, another pioneer of the Cariboo. With these claims as a nucleus, group by group have been added until today the company owns some 61 claims, principally on Cow Mountain, flanked by Lowhee Creek and Jack of Clubs Lake and reached from Quesnel on the P. G. E. Railway, 55 miles distance by motor road—a road quite different from the Cariboo trail serving the early placer rush.

A 3,000-ft. Tunnel

The first work done on the property, following surface trenching and stripping of the Saunders vein, was the driving of an adit into the side of Cow Mountain at an elevation of 4,400 feet, 50 feet above Lowhee Creek. Here some 600 feet of drifting was done. In this work a vein averaging nine feet in width and assaying $10 in gold was exposed for 150 feet in the tunnel. Owing, however, to the absence of a mill site and in order to test the theory that a series of similar parallel veins existed, operations were shifted to the other side of the mountain and the No. 15, a main adit, was started 100 feet above the shore of Jack of Clubs Lake at an elevation of 4,000 feet. The tunnel is known as No. 15 because it is approximately 1,500 feet below the apex of the mountain. It was projected 3,000 feet southeasterly to strike and explore the Saunders vein encountered on the surface, which would give it backs of approximately 750 feet. At the present time this tunnel is some 2,000 feet from the portal and is being extended 400 to 500 feet per month. It has cut at least eight veins averaging 3½ feet in width. Some 3,000 feet of drifting has been done on these veins from this level and at a distance of 1,200 feet in from the portal a raise was put up a distance of 500 feet to the surface. A level was established at 100 feet above the main adit tunnel where the upper extension of the vein was further explored. A winze has also been sunk for 110 feet at a point 1,200 feet in from the tunnel. The vein encountered at the bottom of this winze showed a width of 50 feet assaying from $8 to $10 in gold where cut and is the most promising yet encountered.

Fissure Veins

The veins exposed in these underground workings are all "B" veins or cross veins that cut the schistose formation on strike and dip. Two of them are called "diagonal" veins, but still they all belong to the series of cross veins as distinguished from the "A" veins that strike with the formation. They pinch and swell in short distances along the strike ranging in widths from a few inches up to 50 feet and, according to the British Columbia Department of Mines, are quartz filled fissures, which give every evidence of permanence.

While the main adit tunnel has been driven to cut at right angles the "B" veins, it is paralleling the main "A" veins at a distance of approximately 1,000 ft. Sufficient work, however, has not been completed to establish definitely the relations of the "A" veins to the "B" veins nor determine what the possible length of the "B" veins might be. The main adit tunnel is being pressed forward and still has some 700 feet to go before reaching the point where the Saunders vein was exposed on the surface. It is expected that this objective will be reached this month.

Not a Developed Mine

Although the property has been extensively opened up, officials do not regard it as a developed mine, but rather as a mine in the making with much greater potentialities than are evidenced by the present 60-ton mill in operation.

To the first of September some $145,000 in gold had been produced by the mine. Milling operations, when started last January, were at the rate of approximately 35 tons daily and were subsequently gradually stepped up to 55 or 60 tons, the current producing rate which is yielding approximately $1,000 daily in gold.

Rather than await the ultimate development of the property through profits on present operations, the management plans to quicken expansion just as fast as development work will permit. At the present time the company has about $375,000 in its treasury and 750,000 unissued treasury shares out of its 2,000,000 shares authorized. Plans are now under way to provide the treasury with $1,000,000 so that when the 1,000 ton mill, now under consideration, is deemed advisable, funds will be available to speed its construction. Already officials are talking of this expansion programme by next year, but this will be entirely determined by the state of development work at that time.

Little Promotional Stock

An interesting phase of the company's financing has been the remarkably small amount of stock issued to the vendors of the property and for promotional purposes. Whereas normally a mining company takes 50 per cent of the authorized capitalization for properties and promotions, the total issued shares for this purpose by Cariboo Gold Quartz is shown at 380,000 shares.

The balance of the treasury stock, of which approximately 1,250,000 shares are now issued, has been sold to the public, originally at 20 cents a share. Later it was sold at 50 cents, then $1 and early this year a block was sold to an undisclosed investor of 211,000 shares at $2.25 each. Subsequently 25,000 shares were sold at $3 each and currently the stock is being traded on the unlisted section of the Vancouver Stock Exchange at around $4.25.

Hydro Considering Power for Patricia

Pickle Lake-Crow River operations of Central Patricia Gold Mines and N. A. M. E. will likely be served with electric power by the Hydro Electric Power Commission of Ontario if present plans do not miscarry. Two engineers from the Hydro Commission have inspected and reported on the power possibilities of the Albany River, 25 miles north of these two pioneer mining operations in this district. While a report has not been issued, it is known that the government is giving serious consideration to serving two new mining properties with cheap electric power on terms similar to those offered to the mining developments in the Swayze and Matachewan areas.

Pioneers New Era For the Cariboo

A view of the Cariboo Gold Quartz Mining property on the shore of Jack of Clubs Lake, three miles from Barkerville, B.C. The 60-ton mill went into operation in January last and plans call for an enlarged capacity before next summer. Cariboo shares, originally peddled at 20 cents, now sell at $4.25.

BRALORNE HITS HIGH GRADE VEIN ON EIGHTH LEVEL

See Strike as Important Addition to Known Vein System

(From Our B. C. Mining Correspondent)

VANCOUVER. — Sensational values are said to be present in a strike made on the Bralorne Gold Mine during the last ten days, on a vein which may well prove to be quite important.

Some time ago, a small fissure was cut in the crosscut from the King vein driven on the eighth level to pick up the Shaft vein. It was thought at that time that this fissure was the Wedge vein, but the unknown vein cut several days later and carrying exceedingly high values in gold, is now believed to be the sought ore body.

The new strike is very strong and in the past 60 ft. of development has disclosed some exceptionally high grade ore, which will bring the assays up to almost unbelievable values. How much of this bonanza ore there is, however, has not yet been determined.

At last reports, two rounds had been taken out of the roof of the tunnel and the high grade was still very much in evidence, showing massive free gold heavily dispersed throughout the vein matter, while in the face of the drift, although no free gold is visible, the ore is still very high grade.

The vein gives every evidence of strength and is striking toward the boundary of the Bralorne with the Taylor Bridge River property a distance of approximately 1,000 to 1,200 ft. The width of the vein at present is stated to be three and a half feet.

Beyond admitting that the showing was highly encouraging, the management would make no statement as regards the probable values. That they were exceptional, there is little or no doubt, private estimates going so far as to say that they will add many millions of dollars to the value of Bralorne's earnings.

IN PAST SUMMER PIONEER ADDS ORE FASTER THAN EVER

Ore on New Developments Runs Over $40 to Ton

(From Our B. C. Mining Correspondent)

VANCOUVER, B.C.—More ore has been placed in sight at the Pioneer Gold Mines during the past summer than during any time in its past history, according to a statement made here by David Sloan, M.E., managing director. The most spectacular development during the summer, he said, had been the proving up of over 400 feet of ore averaging four feet in width and running $40 to the ton in gold.

The basis of this valuation was arrived at by computing gold at $20.67 per ounce. Not only was the vein followed for 400 feet on the sixth and seventh levels of the mine, but for twice that distance on the tenth level, indicating that this rich section lengthens out as greater depth is gained.

On the latter level, one sample of this ore, taken across the full width of the vein, which at that point was two feet, assayed $478 to the ton, while other samples ran as high as $175 to the ton.

Mr. Sloan stated that the Pioneer mill was handling 300 tons of ore a day, of which approximately 40 per cent was development ore.

Macassa Mines Tuning Up Mill Gold Brick Nov. 1

Macassa Mines is filling the ore bins in its new 200-ton mill at Kirkland Lake, coincident with tuning up some of the heavier equipment, preparatory to inaugurating production the first week in October.

The first ground for the new mill was turned on June 9; therefore the mill has been completed in less than four months and a gold brick is promised before November 1. An impressive fact in the Macassa programme has been freedom from annoying and expensive delays in keeping to its preconceived schedule. In less than 30 months since work started at the property a shaft has been sunk to the 2,500 ft. level, lateral work carried out at four lower horizons and the property put in shape for production, all without one hitch or delay that might have been expected in a programme of this magnitude.

The good fortune that has been experienced by the company has been made possible by adequate financing, backed by an engineering staff thoroughly conversant with the problems of the Kirkland Lake camp.

N. A. M. E. SHAFT AT CROW RIVER IN ORE TO 95 FT.

Good Consistent Assays and Widths in Shaft Unexpected

Developments at the Pickle Lake-Crow River property of N. A. M. E., near the Central Patricia Mines in the Patricia District of Ontario, took an interesting turn when the vein continued in the vertical shaft throughout the entire distance from a depth of 35 ft. to 95 ft., with most encouraging assays all the way down with widths up to 9½ ft.

It was anticipated and indicated by diamond drilling that the vein had an 80 degree dip which would involve crosscutting on the 125 ft. level. As the vein did not dip out of the shaft until a depth of 95 ft., the shaft will be continued to a 250 ft. horizon before crosscutting and drifting is undertaken.

At intervals along 6,000 feet the vein has been exposed. For 250 feet the vein was exposed by trenching, the quartz filling having an average width of 2½ feet. Bulges and veinlets of quartz containing native gold also occur in the greenstone at intervals for 600 feet along what is regarded as the Westward continuation of the Howell "Break."

To Sink to 500 Ft.

Recent work has carried surface exploration still further. By test pits the company has now opened up 260 feet of high-grade ore along the strike with an average width varying between four and five feet. Values run up as high as $70, while assays of $14, $19, $15, $13 and $10 are frequent. Recent reports indicate also that 400 feet along the schisted area in the western part of the vein, the vein narrows but shows good values.

The company has 35 claims in the area, six of which are along the strike of this vein, east, northeast and southwest. Samples of trenching in the eastern part showed widths up to over 12 ft. Plans call for sinking the shaft to the 500 ft. level and if results continue in the present encouraging manner a mill is to be taken in some time this coming winter. A. J. Hattie is in charge of operations.

Salvage Work Has Speeded Up Patricia's Mill

A diamond drilling contract has been let for the Springer group of claims, adjacent to the main Central Patricia Gold Mines property at Pickle Lake-Crow River in the Patricia district of Ontario, where a 50-ton mill is under construction preparatory to operation early next spring.

Operations have been active at this section of the company's property this year and have been of a most encouraging nature, but no geological connection has been established between this find and the main Central Patricia group, three miles distant.

The construction of the mill is progressing favorably and a highly successful salvage job has just been completed, under the direction of A. J. Anderson, mine manager, recovering the heavy milling machinery lost in transit last winter in the muddy bottom of Whitethroat Lake.

Rushing equipment into the property last spring, the heavy laden sleds broke the treacherous ice and thereby forestalled a milling programme planned to start this summer.

How successful the salvage of this heavy equipment has been is told by the fact that now all has been recovered with the exception of one small piece of a ball mill.

Probably the worst obstacles to overcome were the mud and the boulders in the mud. This made it extremely difficult to locate the pieces of machinery. Now that recovery has been completed mill construction can be speeded and it is expected, advance the date of production.

HORSESHOE MINES AMPLY FINANCED

Shareholders of Horseshoe Mines are in receipt of a progress report over the signature of its president, W. A. Lamport, advising that the programme under way is proceeding as per schedule and that the financial contract is being lived up to.

The winze has been sunk some 50 ft. below the 540-ft. or lowest level and is to be continued to the 600-ft. level to open up the vein on two new levels. The vein is reported strong, to average six ft. in width and to be well mineralized.

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Metals Development Financed In Montreal

Shareholders of Metals Development Ltd. met in Montreal on September 18 and completed plans for the resumption of development operations at the company's property in the Clearwater Lake area, Patricia district, Ontario. Under the terms of an agreement made with the Consolidated Marine Co., Metals Development is loaned $25,000 and six per cent interest for ten years secured by a mortgage on the company's property. With these funds an aggressive development programme is to be resumed, which will provide information which, it is anticipated, will permit the opening up of the property and the construction of a mill and place it on a producing basis. In consideration of this $250,000 Consolidated Marine Co. is to cause a new company to be formed, in which it will receive one-half of the capital stock.

The advance of $250,000 to the proposed new company is repayable with six per cent interest out of the net profit of any production.

At the Mines

Askalta Oil Co.—The company reports the acquisition of 50-day working option on two placer claims on Spanish Creek south of Quesnel, B.C. A gold quartz proposition on a partially developed property is also under consideration.

* * *

Canadian Pandora Gold Mines—In deepening the shaft from the 250-ft. to the 500-ft. level a vein was cut at the 350-ft. station. The vein was heavily mineralized and samples have been taken for assaying.

* * *

DeSantis Gold Mining Co. — The company has been making shipments of 35 tons of ore daily to the Hayden mill for treatment according to advices from Porcupine. The ore is said to average $10 per ton in gold. Under earlier operations considerable work was done on the Turnbull and Ogden properties. On the Turnbull group a shaft was put down to 125 feet depth and about 1,000 feet of lateral work done, while on the Ogden group a shaft is down 215 feet with 1,000 feet of underground development on two levels.

* * *

East Crest Oil Co.—M. H. Staples, secretary of the company, reports that a gold property has been acquired at Blackcock, in the Nelson area of British Columbia. Exploration and development programmes have been financed.

* * *

Normont Gold Mines—Shareholders are in receipt of progress reports stating diamond drilling has been arranged and deepening of the main shaft is to start within the next few days. Test pitting and trenching have been conducted at the company's property in the Rouyn area and the exploration crew is now to be increased.

* * *

Toburn Gold Mines—Toronto General Trusts Corp. has been appointed transfer agent for the company to permit of the distribution of 350,000 Toburn shares, held by Bunker Hill Extension Mines, to its shareholders on the basis of one Toburn for each ten Bunker Hill shares owned. The distribution will be made on November 30, to shareholders of record November 9.

* * *

Ventures Ltd.—At Crow Lake, ten miles south of the Regina mines, the company has been exploring a gold prospect and has uncovered a vein showing nine to five ft. width over a 350-ft. length. Visible gold is reported in all the cross trenches.

RAINVILLE HEADS BIG MISSOURI BOARD

A new board of directors, headed by J. H. Rainville, of Montreal, as president, has been announced by Big Missouri Mines Corp., a Canadian incorporation recently formed to succeed the Big Missouri Mining Co. having a Washington charter.

The new board of directors also includes W. R. G. Hoath, Armand Collet, R. M. Macaulay, all of Montreal; W. M. Archibald, Trail, B.C.; Messmore Kendal of New York; J. G. Gregory, of Tacoma, Wash.; and Duncan MacVichie, of Salt Lake City.

It is officially announced that the Quebec Gold Mining Corp., also headed by Mr. Rainville, had taken a substantial interest in the Big Missouri Mines Corp. Last July, upon the formation of the Canadian company, shareholders were told that 1,000,000 treasury shares had been sold to provide $100,000 to finance the purchase of additional bonds of the Buena Vista Mining Co. property, better known as the Big Missouri Mines, in the Portland Canal mining division of B. C. It is now announced that work at the Big Missouri Mines is to be speeded with a programme calling for about 1,000 ft. of drifting along the Province tunnel.

Nitre Cake Plant Resumes Operation

Further signs of better times for The International Nickel Co. were reported from Sudbury last week when Canadian Industries Ltd., resumed operation of its nitre cake plant at Copper Cliff, on a basis of two-thirds capacity.

This company utilizes the waste smelter gases from the adjoining International Nickel smelter to produce sulphuric acid, which in turn is used to treat sodium sulphate from the property of International Nickel's subsidiary — Horseshoe Mine — in Southern Saskatchewan.

Nitre cake is used as an essential flux in the Orford process of separating the copper-nickel matte into copper tops and nickel bottoms.

McLEOD-COCKSHUTT PROPERTY FINANCED

Connell Group Takes Option on 1,500,000 Shares of New Company

The newly formed McLeod-Cockshutt Gold Mines Ltd. has taken over the McLeod-Cockshutt group of 17 claims at Little Long Lac and has already sent a party into the property to speed development work as much as possible before severer weather sets in.

The new company has an Ontario charter, granted this month, with a capitalization of 3,000,000 shares of no par value. Of this 1,000,000 shares have been issued to the vendor—the Little Long Lac Mining Syndicate. Of the balance of the treasury shares 1,500,000 have been optioned to the Connell Mining & Exploration Co., and $25,000 has already been put into the McLeod treasury.

G. P. Webster is president of the new company, W. H. Connell, vice-president. Other directors are Arthur Cockshutt, Fred McLeod and Alan Cockeram, also sec.-treas. C. H. E. Stewart is engineer in charge of development work.

Prof. W. G. McBride, McGill, Heads Mining Invest. Trust

United Gold Equities has been formed by a group of Montreal financial and mining men, headed by W. G. McBride, Professor of Mining Engineering at McGill University. The new company is of the management type, designed to deal principally in the securities of Canadian gold mining companies and is said to incorporate the features of British and South African mining trusts. Under its charter it is mandatory to invest 50 per cent of its funds in dividend-paying securities. The balance may be invested in partially developed mining companies.

Richfield-Cariboo Mines Making Steady Progress

Richfield-Cariboo Gold Mines, developing its property east of Williams Creek on Prospertine Mountain in the Cariboo district, B.C., has the face of its tunnel in some 300 ft. and is working three shifts daily, The Financial Post is officially informed. Arrangements are being completed for keeping operations going all winter and already officials are talking of the mill next spring.

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speaking to The Canadian Institute of Mining and Metallurgy recently, said:
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